

COMMONWEALTH OF MASSACHUSETTS

WORCESTER, SS.

SUPERIOR COURT DEPARTMENT
OF THE TRIAL COURT
WORCESTER DIVISION
CIVIL ACTION NO.

SANDRA S. KATZ,
Plaintiff

V.

DONNA LEE H. WILLIAMS, INSURANCE
COMMISSIONER OF THE STATE OF
DELAWARE, AS RECEIVER OF
NATIONAL HERITAGE LIFE INSURANCE
COMPANY IN LIQUIDATION,
Defendant

04-2116 *A*

COMPLAINT FOR
DECLARATORY JUDGMENT

275- This is an action pursuant to M.G.L. c.231A and Mass.R.Civ.P. 57 for declaratory relief to determine and declare the rights and obligations regarding property located at 19 Canton Street, Worcester, Massachusetts.

PARTIES

1. The plaintiff, Sandra S. Katz ("Katz"), is an individual residing at 19 Canton Street, Worcester, Massachusetts.
2. The defendant, Donna Lee H. Williams, is the Insurance Commissioner of the State of Delaware, and is the Receiver of National Heritage Life Insurance Company in Liquidation ("Insurance Commissioner"). The Insurance Commissioner has a business mailing address of 841 Silver Lake Boulevard, Dover, Delaware.

COUNT I

3. Katz repeats and realleges the allegations of paragraphs 1 through 2 as if expressly restated and realleged.

4. On or about January 27, 1988, E. Perry King and Terry A. King (the "Kings") executed and delivered to the Home National Bank of Milford ("HNBK") a mortgage in the amount of \$112,000.00 (the "Mortgage"). The Mortgage was secured by property located at 19 Canton Street, Worcester, Massachusetts (the "Property") and recorded with the Worcester District Registry of Deeds (the "Registry") in Book 11097, Page 122. A true copy of the Mortgage is attached as **Exhibit A**.

5. Upon information and belief, on or about June 2, 1990, HNBK failed, and control of HNBK was assumed by the Federal Deposit Insurance Corporation ("FDIC") as receiver for HNBK.

6. On or about January 1, 1990, the Office of the Comptroller of the Currency determined that HNBK was insolvent and appointed the FDIC as Receiver. A true copy of the Certificate and Acceptance of Appointment as Receiver recorded with the Registry on July 3, 1990 in Book 12875, Pages 161-165 are attached as **Exhibit B**.

7. By assignment of mortgage dated March 29, 1994, the FDIC purportedly assigned its interest in the Mortgage to South Star Management Company ("South Star"). FDIC's assignment of mortgage to South Star was not, and has not, been recorded with the Registry.

8. By assignment of mortgage dated March 29, 1994, South Star purportedly assigned its interest in the Mortgage to National Housing Exchange, Inc. ("National Housing"). South Star's assignment of mortgage to National Housing was not, and has not, been recorded with the Registry

9. On or about September 15, 1997, and October 21, 1997, the Insurance Commissioner recorded with the Registry two Judgments by Default entered in her favor in Donna Lee H. Williams, Insurance Commissioner of the State of Delaware, as Receiver of

National Heritage Life Insurance Company in Liquidation v. National Housing Exchange, Inc., APX Mortgage Services, Inc., Resource Asset Management, Inc., and South Star Management Corporation, Suffolk Superior Court, Civil Action No. 97-02013B (the “Judgments”). The Judgments recognize and give effect to orders entered in the United States District Court, Northern District of Illinois and the Chancery Court of the State of Delaware. The orders terminate all right, title and interest of National Housing in certain listed mortgages and vest those rights with the Insurance Commissioner. A true copy of the Judgments are attached hereto as **Exhibit C**.

10. When recording the Judgments, the Insurance Commissioner did not marginally reference the Judgments to any specific deeds, mortgages or assignments.

11. By deed dated July 15, 2002, the Kings transferred the Property to Mansour and Nader Gaval (the “Gavals”) in consideration of \$110,000. A true copy of the deed into the Gavals as recorded with the Registry on August 9, 2002 in Book 27191, Page 112 is attached as **Exhibit D**.

12. On or about July 19, 2002, the Kings received a satisfaction of Mortgage from the FDIC (the “Discharge”). A true copy of the Discharge as recorded with the Registry on August 2, 2002 in Book 27135, Page 365, is attached hereto as **Exhibit E**. A true copy of FDIC’s Limited Power of Attorney Designating James L. Faison as Attorney in Fact, as recorded with the Registry on November 28, 2001 in Book 2534, Page 226 is attached hereto as **Exhibit F**.

13. By deed dated December 19, 2003, the Gavals transferred the Property to Katz in consideration of \$205,000. A true copy of the deed to Katz as recorded with the Registry on January 28, 2004 in Book 32738, Page 33 is attached as **Exhibit G**. Katz relied upon the FDIC’s Discharge of the Mortgage when she purchased the Property from the Gavals.

14. Title to the Property was transferred to Katz free and clear of the Mortgage since the Mortgage was discharged by the FDIC as provided in the Discharge recorded with the Registry on August 2, 2002, and since any purported prior assignment of the Mortgage is not recorded with the Registry, and therefore not in the chain of title.

15. By letter dated July 8, 2004, the Insurance Commissioner informed Katz that she was going to initiate foreclosure proceedings against the Property if the purported outstanding balance due on the Mortgage in the amount of \$248,471.47 was not paid within thirty days. A copy of the letter is attached hereto as **Exhibit H**.

16. An actual and present controversy exists between Katz and the Insurance Commissioner regarding the Insurance Commissioner's alleged right to enforce the Mortgage against the Property.

17. A declaratory judgment will terminate this dispute between the parties.

WHEREFORE, the plaintiff, Sandra S. Katz requests that this Court:

- a. Determine and adjudicate the rights and liabilities of the parties regarding the property located at 19 Canton Street, Worcester, Massachusetts; and
- b. Enter such further relief as is necessary and just.

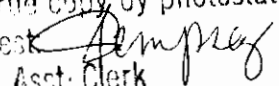
SANDRA S. KATZ

By her attorney,



Robert B. Gibbons, Esq., BBO #631049
Kristin D. Thompson, Esq., BBO #656179
Mirick, O'Connell, DeMallie & Lougee, LLP
100 Front Street
Worcester, MA 01608-1477
Phone: (508) 791-8500
Fax: (508) 791-8502

Dated: 10/25/04

A true copy by photostatic process
Attest 
Asst. Clerk

MORTGAGE.

E. FERRY LING AND FERRY A. LING (the "Mortgagor"), having a principal place of business at 100 Regis 146 Boston, Massachusetts, FOR CONSIDERATION PAID GRANT(S) TO THE HOME NATIONAL BANK OF MILFORD, a national banking association (the "Mortgagee"), whose address is 221 Main Street, Milford, Worcester County, Massachusetts 01704;

WITH MORTGAGE COVENANTS, to secure the payment of the indebtedness described in Paragraph 10 below (the "Obligation"), the property described in Exhibit A annexed hereto and by this reference made a part hereof (the "Property"):

together with (a) insofar as the same are or can by agreement of the parties be made a part of the Property, all fixtures and appliances now or hereafter attached to, placed on, installed on or used in any way in connection with the Property and/or buildings and structures thereon, including without being limited to, portable or sectional buildings; screens, awnings, screen doors, storm and other detachable windows and doors; window shades and blinds; inlaid or attached floor coverings; boilers, tanks, furnaces, radiators, water heaters, elevators, fire and other alarm systems, cooling towers and compressors; heating, lighting, plumbing, gas, electric, ventilating, refrigerating, air conditioning, ice making, sprinkler and incinerating controls, apparatus and equipment; garbage and trash incinerators and receptacles, ovens, boilers, stoves, refrigerators, dishwashers, washing machines, driers, television antennas; fences and partitions; trees and hardy shrubs; all of which fixtures, including accessories and additions thereto and replacements thereof, are hereby declared and shall be deemed to be accessory to the freehold and a part of the Property as between the parties hereto, their successors and assigns and all persons claiming by, through, or under them, and shall constitute security for the Obligation and be subject to this Mortgage; (b) all improvements now or hereafter erected on the Property; and (c) all easements, rights, appurtenances, rents, water and water rights.

All of the foregoing being hereinafter sometimes referred to as the "mortgaged premises."

AND Mortgagor (a) herewith assigns to Mortgagee all future rents and profits from the mortgaged premises, provided, however, until default under the Obligation, this Mortgage, or the other instruments securing the Obligation or otherwise executed in connection therewith, Mortgagor may continue to collect and retain such rents and profits as they become due and payable; (b) shall perform and observe all the obligations imposed upon it under any lease of the mortgaged premises or any portion thereof, and shall not do, or permit to be done, anything to impair the security thereof; and, in addition to the obligations contained

19 CANTON ST., WORCESTER, MA.

JAN 28 12 44 PM '89

elsewhere herein, if such leases shall include any residential units, Mortgagor shall conform to any law or regulation applicable therein; and (c) agrees that if the Obligation shall become due and payable in accordance with the terms hereof, it will, upon demand of the Mortgagee, assign any and all leases of the mortgaged premises then existing to the Mortgagee, and agrees that after such assignments Mortgagee may modify and otherwise deal with such leases as if the owner of the mortgaged premises.

The Mortgagor, for the Mortgagor and the Mortgagor's successors and assigns, covenants and agrees in addition to the STATUTORY CONDITION:

1. To keep the buildings, structures, improvements and fixtures now or hereafter standing on the mortgaged premises insured against fire with extended coverage and/or such other perils as the Mortgagee shall reasonably request in such amounts and companies and in such forms as shall be satisfactory to the Mortgagee, all insurance to be for the benefit of and payable in case of loss to the Mortgagor and the Mortgagor as their interests may appear of record and to contain a provision that it shall not be cancelled or modified without at least ten (10) days prior written notice to the Mortgagee; to pay or cause to be paid when due all premiums for such insurance and, upon demand, to pay the same to the Mortgagee in the manner provided in Paragraph 2 with respect to taxes; that the Mortgagee is hereby authorized, at the expense of the Mortgagor, to obtain and/or renew any such insurance, and to do all necessary acts therefor in the name of the Mortgagor; to do no act, nor suffer any to be done, that shall cause, directly or indirectly, any such insurance to be void or vacated in whole or in part; and to deliver to the Mortgagee, at any time upon the Mortgagee's request, all insurance policies or memoranda thereof and to deliver to the Mortgagee new policies or memoranda thereof for any insurance about to expire at least ten (10) days prior to such expiration (hereby granting to the Mortgagee in the event of foreclosure, full authority, as attorney irrevocable of the Mortgagor, to cancel such insurance and retain the return premiums thereof and apply the same to the satisfaction of the Obligation or to transfer such insurance to any person claiming title to the mortgaged premises or any part thereof by virtue of foreclosure proceedings).

2. To pay or cause to be paid when due all taxes, charges, assessments and rates with respect to the mortgaged premises to whomsoever laid or assessed; and, upon demand, to deposit with Mortgagee on each day that periodic payments are required by the terms of the Obligation, in addition to the payments of principal and interest provided therein, a sum equal to such fraction of the real estate taxes and betterment assessments for each year as shall be estimated by Mortgagee to be sufficient to provide in the aggregate, a sum adequate to pay said taxes and betterment assessments as and when they become due and payable, and, in addition, to deposit with Mortgagee any balance necessary to pay

in full said taxes and betterment assessments prior to the date when such taxes or betterment assessments become due and payable; and to forward to the Mortgagee real estate tax bills as soon as the same have been received by Mortgagor.

3. That the Mortgagor will not further encumber the mortgaged premises; and that, in the event the ownership of or title to the mortgaged premises or any part thereof shall become vested in any person other than the Mortgagor without the prior written consent of the Mortgagee, then at any time thereafter, at the option of the Mortgagee, the Obligation shall become due and payable on demand, and the Mortgagee may, without notice to the Mortgagor, deal with any successor in interest with reference to the Mortgage and the Obligation in the same manner as with the Mortgagor without in any way violating or discharging the Mortgagor's liability hereunder or upon the Obligation. No sale of the mortgaged premises, no forbearance on the part of the Mortgagee, no extension (whether oral or in writing) of the time for the payment and satisfaction of the whole or any part of the Obligation, and no other indulgence given by the Mortgagee to any person other than the Mortgagor, shall operate to release or in any manner affect the original liability of the Mortgagor, notice of any thereof being waived. The proceeds of any award for damages in connection with any condemnation or other taking of the mortgaged premises or any part thereof, or for conveyance in lieu of condemnation are hereby assigned and shall be paid to the Mortgagee. If the mortgaged premises are abandoned by the Mortgagor or if the Mortgagor fails, after thirty (30) days written notice from the Mortgagee to negotiate a reasonable settlement with the condemnor of an offer to make an award, the Mortgagee is authorized to collect and apply the proceeds of such an award at Mortgagee's option either to the restoration or repair of the mortgaged premises or to the Obligation.

4. That Mortgagee is hereby authorized at its option to pay all costs and expenses which it in good faith determines to be required or desirable to effect compliance with the agreements of the Mortgagor set forth herein or in the Obligation or to protect or maintain the mortgaged premises or Mortgagee's interest therein, such authorization to be in addition to and not in limitation of the rights of Mortgagee under law and under other applicable provisions hereof; and any sum so expended shall be deemed to be a principal advance and shall be equally secured with and be a part of the Obligation.

5. That the Mortgagor is now in a solvent condition and no bankruptcy or insolvency proceedings are pending or contemplated by or against the Mortgagor; and that the Obligation, this Mortgage and the other instruments securing the Obligation or otherwise executed in connection therewith are valid and binding obligations enforceable in accordance with their respective terms and the execution and delivery thereof do not contravene any contract or agreement to which the Mortgagor is a party or by which the Mortgagor or any of the Mortgagor's properties may be

bound or any law, order, decree or regulation to which the Mortgagor is subject.

6. To keep the mortgaged premises in the same repair, order and condition as the same now are or may hereafter be put, reasonable wear and tear only excepted; not to permit or suffer any strip or waste of the mortgaged premises, nor any material change therein, nor any violation of any law or ordinance affecting the same or the use thereof; not to allow to lapse or be revoked any licenses or other governmental authorizations issued to Mortgagor or to any affiliate for the operation of any business on the mortgaged premises; to permit Mortgagee, upon reasonable notice to Mortgagor, to make entry upon and inspect the mortgaged premises; and Mortgagor shall, at Mortgagee's request at reasonable intervals, demonstrate compliance with this and other covenants of this Mortgage.

7. At the option of the Mortgagee, the Obligation shall become immediately due and payable, without notice or demand (a) upon the sale or transfer of any substantial portion of the mortgaged premises (and for purposes of the foregoing, both a transfer of a substantial portion of the beneficial ownership of the Mortgagor and a lease of any substantial portion of the mortgaged premises to or for the benefit of a single lessee for a term (including renewal or option periods) in excess of one (1) year, shall constitute such a sale or transfer giving the Mortgagee the right to accelerate hereunder); (b) in the event of a default in the performance or observance of the terms and provisions of the Obligation, this Mortgage and the other instruments securing the Obligation or otherwise executed in connection therewith; (c) in the event of a default under any other agreement of the Mortgagor in favor of the Mortgagee, whether now existing or hereafter arising; or (d) in the event of a default in the payment of the principal of or the interest on any other indebtedness of the Mortgagor continued for a period sufficient to permit the acceleration of the maturity of such indebtedness. Any forbearance by the Mortgagee in exercising any right or remedy hereunder or otherwise afforded by applicable law shall not be a waiver of or preclude the exercise of any such right or remedy. All remedies provided herein, in the Obligation and other instruments securing the Obligation shall be deemed to be cumulative remedies and may be exercised in any manner the Mortgagee elects.

8. That if any legal proceedings of any nature shall involve the Mortgagee's interest under this Mortgage, however such proceedings shall be commenced and whether or not such proceedings shall be completed, or if the Mortgagee shall enter into possession of the mortgaged premises, then the Mortgagee shall be entitled to collect (and the Mortgagor agrees to reimburse the Mortgagee on demand for) all costs and expenses, including attorneys' fees, incurred by the Mortgagee in any such proceeding or in the protection, care or management of the mortgaged premises; the Mortgagee shall be entitled to purchase the mortgaged premises at

BOOK 11187 PAGE 126

any foreclosure sale; and that if surplus proceeds are realized from a foreclosure sale, the Mortgagee shall not be liable for any interest thereon pending distribution of such proceeds by the Mortgagee.

9. That, if the Mortgagee exercises the POWER OF SALE herein contained, then: the Mortgagee may sell the mortgaged premises in parcels; such sales may be held from time to time and said Power of Sale shall not be exhausted until all of the mortgaged premises shall have been sold, notwithstanding the Mortgagee's releasing, from time to time, certain such parcels which are a part or parts of the mortgaged premises; the Mortgagee may do all things and take any action, all in the name of the Mortgagor, which may be necessary to subdivide the mortgaged premises or any parcel included therein; and the Mortgagee may sell any or all of such parcels then subject to this Mortgage, notwithstanding that the proceeds of such sales may exceed the obligations secured by this Mortgage.

10. That this Mortgage is to secure the payment of the sum of \$__112,000.00, together with interest thereon and all other charges, all as provided in a promissory note and/or guarantee of even date herewith given by Mortgagor to Mortgagee and also to secure the performance of all agreements and conditions herein contained and all other obligations now existing or hereafter arising of Mortgagor to Mortgagee, direct or indirect, absolute or contingent, as well as all other sums (with interest at the rate provided in said promissory note) advanced to or on behalf of Mortgagor by Mortgagee for any purpose, whether dependent or independent of this transaction, all of which shall be equally secured with and have the same priority as the original advance hereunder.

11. Other:

This Mortgage is upon the STATUTORY CONDITION, and upon the further condition that all agreements and covenants of the Mortgagor contained in the Obligation, in this Mortgage and in the other instruments securing the Obligation or otherwise executed in connection therewith, shall be kept and fully performed as therein provided, for any breach of which the Mortgagee shall have the STATUTORY POWER OF SALE.

IN WITNESS WHEREOF, the Mortgagor has executed this Mortgage under seal this 27th day of June, 1988.

E. Perry Ling
E. PERRY LING (Borrower)

Terry A. Ling
TERRY A. LING (Borrower)

Commonwealth of Massachusetts

WORCESTER, SS.

Then personally appeared the above-named E. PERRY LING AND TERRY A. LING and acknowledged the foregoing instrument to be their free act and deed, before me.

Maryanne Rostan
Notary Public

My Commission Expires 6/10/88

SCHEDULE A

Worcester, Worcester County, Massachusetts, in the southerly part thereof, in the section known as Irvington, on the southerly side of Canton Street, shown as Lot 17 on a plan of lots drawn for the Ballard Land Company by Buttrick & Pratt, recorded in Book 1537, Page 653 and bounded and described as follows:

BEGINNING at a stone monument set at the northwesterly corner of the herein described premises on the southerly side of Canton Street, formerly known as Albion Avenue;

THENCE southerly by Lot 18, a distance of 100 feet to a stone monument;

THENCE easterly by Lot 35 and Lot 36, a distance of 50 feet to a stone monument;

THENCE northerly by Lot 16, a distance of 100 feet to a stone monument on the southerly side of said Canton Street, formerly Albion Avenue;

THENCE westerly by said Canton Street 50 feet to the point of beginning.

For our Title see Book 8344 Page 333 .

ATTEST: WORC., Anthony J. Vigliotti, Register

16336 088 12875 PAGE 163

SUFFOLK REGISTRY OF DEEDS
REC'D FOR & EXAM ATTEST

JUN 20 2 45 PM '90

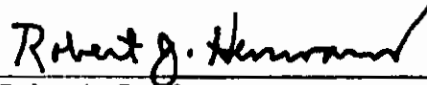
Paul R. T. [Signature]
REGISTER

308

CERTIFICATE

The Home National Bank of Milford
Milford, Massachusetts
(Charter Number 2275)

I hereby certify that in my official capacity I have custody of the records of the Office of the Comptroller of the Currency, including those pertaining to the above captioned bank (Bank), in receivership; and that annexed hereto is a true copy of the determination that the Bank is insolvent and the appointment of the Federal Deposit Insurance Corporation as receiver, all pursuant to 12 U.S.C. §§ 191 and 1821(c).



Robert J. Herrmann
Senior Deputy Comptroller
for Bank Supervision Policy

June 1, 1990

JUL 3 1990 RECORDED 9 AM



Return to: David M. Dwyer Esq.
Penbury & Arnold
20 Rowland Street Boston, MA 02114

BOOK 12875 PAGE 164

18338

099

UNITED STATES OF AMERICA
OFFICE OF THE COMPTROLLER OF THE CURRENCY
WASHINGTON, D.C.

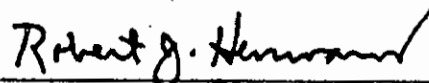
Declaration of Insolvency and Appointment of Receiver

The Home National Bank of Milford
Milford, Massachusetts
(Charter Number 2275)

WHEREAS, from information available to the Office of the Comptroller of the Currency, I have determined that the above captioned bank (Bank) is insolvent and unable to meet the demands of its depositors and unable to pay its debts; and

WHEREAS, after due examination of the affairs of the Bank, I have determined that the Federal Deposit Insurance Corporation should be appointed receiver of the Bank;

NOW THEREFORE, pursuant to the provisions of 12 U.S.C. §§ 191 and 1821(c) and the power, duty, and authority vested in me by law, I do hereby appoint the Federal Deposit Insurance Corporation as Receiver of the Bank, with all powers, duties, and responsibilities given to or imposed upon a Receiver under the provisions of the laws of the United States which authorize and direct the appointment of such Receiver.



Robert J. Herrmann
Senior Deputy Comptroller
for Bank Supervision Policy

Dated: June 1, 1990



BOOK 12875 PAGE 165

This is a true COPY of an instrument
recorded in the SUFFOLK REGISTRY OF DEEDS
at the book and page noted on the first
page hereof.

ATTEST:

Paul R. Tierney
PAUL R. TIERNEY, ESQ.
REGISTER OF DEEDS

ATTEST: WORC. Anthony J. Vigliotti, Register

~~18338 087~~

BOOK 12875 PAGE 161

307

ACCEPTANCE OF APPOINTMENT AS RECEIVER

WHEREAS, the Comptroller of the Currency has determined that The Home National Bank, Milford, Massachusetts, is insolvent and has closed the Bank; and

WHEREAS, the Comptroller of the Currency has tendered to the Federal Deposit Insurance Corporation ("FDIC") the appointment as Receiver; and

NOW, THEREFORE, pursuant to 12 U.S.C. § 1821(c)(3)(a), as amended, for and on behalf of the Federal Deposit Insurance Corporation, I hereby accept the appointment as Receiver of The Home National Bank, Milford, Massachusetts.

FEDERAL DEPOSIT INSURANCE CORPORATION

By:

Carl K. [Signature]
Assistant Regional Director

MASSACHUSETTS DEPT. OF REVENUE
REC'D & EXAM ATTEND

JAN 20 2 45 PM '90

Paul R. [Signature]
REGISTER

JUL 3 1990 RECORDED 9 AM

Return to:
David M. Dunn, Esq.
Pembroke & Arnold
50 Rensselaer Wharf
Boston, MA 02110

BOOK 12875 PAGE 162

This is a true copy of an instrument
recorded in the SUFFOLK REGISTRY OF DEEDS
at the book and page noted on the first
page hereof.

ATTEST:

Paul R. Tierney
PAUL R. TIERNEY, ESQ.
REGISTER OF DEEDS

ATTEST: WORC., Anthony J. Viglotti, Register

19167 PAGE 306

PL 152 RETURN TO: CREED + FORMICA, ATTYS.
1254 CHESTNUT STREET
NEWTON UPPER FALLS, MA 02464

INST #

98905

SUFFOLK, ss.

COMMONWEALTH OF MASSACHUSETTS

SUPERIOR COURT DEPARTMENT

CIVIL ACTION NO. 97-02013 B

DONNA LEE H. WILLIAMS, INSURANCE
COMMISSIONER OF THE STATE OF DELAWARE,
AS RECEIVER OF NATIONAL HERITAGE LIFE
INSURANCE COMPANY IN LIQUIDATION,
Plaintiff,

v.

NATIONAL HOUSING EXCHANGE, INC.,
APX MORTGAGE SERVICES, INC.,
RESOURCE ASSET MANAGEMENT, INC. and
SOUTH STAR MANAGEMENT CORPORATION,
Defendants.

JUDGMENT BY DEFAULT

This action came on for hearing before the Court, CRANE, J., presiding, upon the marking of Plaintiff, Donna Lee H. Williams, Insurance Commissioner of the State of Delaware as Receiver of National Heritage Life Insurance Company in Liquidation (hereinafter, "NHL") in the above entitled action, for a default judgment by the court, pursuant to Rule 55(b)(2) of Mass. R. Civ. P., and it appearing to the court that the Complaint in said action was filed on the 17th day of April, 1997, and that no answer or other defense has been filed by the said defendants, National Housing Exchange, Inc. and Resource Asset Management, Inc., and that default was entered on the 12th day of JUNE 1997, in the office of the clerk of this court, and that no proceedings have been taken by the said defendant since said default was entered, it is ordered and adjudged, that judgment by default enter as against the Defendants, National Housing Exchange, Inc. and Resource Asset Management, Inc. on Counts I, II and III of NHL's Complaint, in accordance with the Prayers of that Complaint, thereby recognizing and giving effect to the following judgments in Massachusetts:

JUDGMENT ENTERED ON DOCKET: JUNE 16, 1997
PURSUANT TO THE PROVISIONS OF MASS. CIV. P. 55(b)
AND NOTICE SENT TO PARTIES PURSUANT TO THE PRO-
VISIONS OF MASS. CIV. P. 77(b) AS FOLLOWS:

A TRUE COPY OF JUDGMENT DULY ENTERED IN

6/16/97

97 SEP 15 PM 1:45

RETURN TO: CREED + FORMICA
1254 CHESTNUT STREET
NEWTON UPPER FALLS, MA 02464

217ce
sent
6/16/97
PC
+ 17

OK
AJV

United States District Court
Central District of Illinois

Grand Jury

Michael C. Robbins

Clerk of the United States District Court for the

Central District of Illinois, do hereby certify and declare that the

enclosed is a true and correct copy of the original(s) on

which the foregoing is based.

IN TESTIMONY WHEREOF, I have hereunto


subscribed my hand and affixed the seal

of this Court at Chicago, Illinois

on March 31, 2006

Michael C. Robbins

Clerk


Deputy Clerk

BOOK 1916 PAGE 308

COMMONWEALTH OF MASSACHUSETTS
SUFFOLK, ss. SUPERIOR COURT DEPARTMENT
CIVIL ACTION NO. 97-02013 B

DONNA LEE H. WILLIAMS, INSURANCE)
COMMISSIONER OF THE STATE OF DELAWARE,)
AS RECEIVER OF NATIONAL HERITAGE LIFE)
INSURANCE COMPANY IN LIQUIDATION,)
Plaintiff,)

v.)

NATIONAL HOUSING EXCHANGE, INC.,)
APX MORTGAGE SERVICES, INC.,)
RESOURCE ASSET MANAGEMENT, INC. and)
SOUTH STAR MANAGEMENT CORPORATION,)
Defendants.)

JUDGMENT BY DEFAULT

This action came on for hearing before the Court, LEUNG, J., presiding, upon the marking of Plaintiff, Donna Lee H. Williams, Insurance Commissioner of the State of Delaware as Receiver of National Heritage Life Insurance Company in Liquidation (hereinafter, "NHL") in the above entitled action, for a default judgment by the court, pursuant to Rule 55(b)(2) of Mass. R. Civ. P., and it appearing to the court that the Complaint in said action was filed on the 17th day of April, 1997, and that no answer or other defense has been filed by the said defendants, National Housing Exchange, Inc. and Resource Asset Management, Inc., and that default was entered on the 12th day of JUNE 1997, in the office of the clerk of this court, and that no proceedings have been taken by the said defendant since said default was entered, it is ordered and adjudged, that judgment by default enter as against the Defendants, National Housing Exchange, Inc. and Resource Asset Management, Inc. on Counts I, II and III of NHL's Complaint, in accordance with the Prayers of that Complaint, thereby recognizing and giving effect to the following judgments in Massachusetts:

RETURN TO: CREED HARMON, JR.
1254 CHESTNUT STREET
NEWTON OFFICE BUILDING, MA 02459

Notice
sent
6/16/97
JFC
+ F

JUDGMENT ENTERED ON DOCKET June 16, 1997
PURSUANT TO THE PROVISIONS OF MASS. R. CIV. P. 55(b)(2)
AND NOTICE SENT TO PARTIES PURSUANT TO THE PRO-
VISIONS OF MASS. R. CIV. P. 77(d) AS FOLLOWS:

A TRUE COPY OF JUDGMENT DULY ENTERED ON 6/16/97

Prayer 1: The Chancery Court of the State of Delaware in and for New Castle County's Liquidation and Injunction Order in Civil Action No. 13530, dated November 21, 1995, a copy of which is attached hereto as Exhibit "A"; and,

Prayer 2: The United States District Court, Northern District of Illinois, Eastern Division's Amended Declaratory Judgment Order in No. 95 C 4243, dated April 12, 1996, *nunc pro tunc*, April 3, 1996, a copy of which is attached hereto as Exhibit "B"; and,

Prayer 3: The United States District Court, Northern District of Illinois, Eastern Division's Revised Order Regarding Massachusetts Mortgages No. 95 C 4243, dated February 20, 1997, a copy of which is attached hereto as Exhibit "C".

SO ORDERED:

Carol Ann

Superior Court Department, J.

Dated: June 16, 1997

I HEREBY ATTEST AND CERTIFY ON

June 18, 1997, THAT THE
FOREGOING DOCUMENT IS A TRUE
AND CORRECT COPY OF THE
ORIGINAL ON FILE IN MY OFFICE
AND IN MY LEGAL CUSTODY.

MICHAEL JOSEPH DONOVAN
CLERK/MAGISTRATE
SUFFOLK SUPERIOR CIVIL COURT
DEPARTMENT OF THE TRIAL COURT

BY: *John P. Ryan*

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY

IN THE MATTER OF THE)
REHABILITATION OF NATIONAL) C.A. No. 13530
HERITAGE LIFE INSURANCE COMPANY)

ORIGINAL ⁴²

LIQUIDATION AND INJUNCTION ORDER

WHEREAS, the Honorable Donna Lee H. Williams, the Insurance Commissioner for the State of Delaware, heretofore appointed as the Receiver of the National Heritage Life Insurance Company in Rehabilitation by Order dated May 25, 1994 (the "Receiver"), has filed with the Court a petition seeking a Liquidation and Injunction Order concerning National Heritage Life Insurance Company ("National Heritage") pursuant to Title 18 Del. C. §5901, et seq.;

WHEREAS, a hearing on the financial status of National Heritage and for interested parties to show cause why National Heritage should not be declared insolvent and ordered liquidated was held by the Court on 11/21/95; and

WHEREAS, the Receiver has submitted evidence that National Heritage is insolvent, in that as of September 30, 1995, National Heritage's liabilities exceeded its assets by approximately \$214 million and that as of the hearing date, the negative surplus was approximately \$214 million.

NOW THEREFORE, the Court finds and IT IS HEREBY ORDERED as follows:

1. National Heritage is insolvent as that term is defined in 18 Del. C. §5901.
2. Sufficient cause exists for the liquidation of the respondent, National Heritage, pursuant to 18 Del. C. §§ 5906 and 5910 and a Liquidation and Injunction Order is hereby entered against National Heritage.

3. The May 25, 1994 Rehabilitation and Injunction Order and the June 27, 1994 Supplemental Rehabilitation Order entered by this Court in this matter are hereby superseded, upon entry of this Order, and the Commissioner shall continue to serve as Receiver of National Heritage for the purpose of liquidation as set forth below.

4. The appointment of the Honorable Donna Lee H. Williams, Commissioner of Insurance of the State of Delaware, and her successors in office, as the Receiver of National Heritage is hereby continued and the Receiver is hereby directed to immediately take or maintain her exclusive possession and control of and to continue or be vested with all right, title and interest in, of or to the property of National Heritage, including, without limitation, all of National Heritage's assets, contracts, rights of action, funds recoverable under treaties and agreements of reinsurance heretofore entered into by National Heritage as the ceding insurer, books, records, bank accounts, certificates of deposit, collateral securing obligations to, or for the benefit of, National Heritage or any trustee, bailee or any agent acting for, or on behalf of, National Heritage (collectively, the "Trustees"), securities or other funds, and all real or personal property of any nature of National Heritage including, without limitation, furniture, fixtures and office supplies, wherever located, and including such property of National Heritage or collateral securing obligations to, or for the benefit of, National Heritage or any Trustee thereof that may be discovered hereafter, and all proceeds of or accessions to any of the foregoing, wherever located, in the possession, custody or control of National Heritage or any Trustee therefore (collectively, the "Assets"), and to liquidate the same pursuant to the provisions of Chapter 59 of the Delaware Insurance Code, and the Receiver is further authorized

to take such actions as the nature of this cause and interests of the policyholders, creditors and stockholders of National Heritage and the public may require.

5. The Receiver is hereby authorized to continue to deal with the Assets, business and affairs of National Heritage, including, without limitation, the right to sue for, defend for or continue suits already commenced by the Receiver for National Heritage, or for the benefit of National Heritage's policyholders, stockholders and creditors, in the courts and tribunals, agencies or arbitration panels in this State and other states in her name as the Commissioner of Insurance of the State of Delaware, or in the name of National Heritage.

6. The filing or recording of this Order or a certified copy hereof with the Clerk of this Court and with the recorder of deeds of the jurisdiction in which National Heritage's corporate and administration offices are located, or, in the case of real estate, with the recorder of deeds of the jurisdictions where the property is located, shall impart the same notice as would be imparted by a deed, bill of sale or other evidence of title duly filed or recorded with that recorder of deeds. Without limiting the foregoing, the filing of this Order with the Clerk of this Court also constitutes notice to all sureties and fidelity bondholders of National Heritage of all potential claims against National Heritage under such policies and shall constitute the perfection of a lien in favor of National Heritage under the Uniform Commercial Code or any like Federal or state law, regulation or order dealing with the priority of claims.

7. Except as otherwise indicated elsewhere in this Order, and upon notice provided by the Receiver, all agents and brokers, former officers, former directors, stockholders and all other persons or entities now or prospectively holding Assets of, or on behalf of, National

Heritage shall forthwith file an accounting of these Assets with the Receiver and shall within ten (10) days of the entry of this Order, turn those Assets over to the Receiver.

8. The Receiver may, in her discretion, appoint or continue the appointment of a consultant or other person or persons to serve as Special Deputy Receiver(s) to assist the Receiver in accomplishing the directive of this Order. The Special Deputy Receivers shall serve at the pleasure of the Receiver and, subject to the approval of the Receiver, shall be entitled to exercise all of the powers and authorities vested in the Receiver pursuant to this Order and applicable law.

9. The Receiver may employ or continue to employ and fix the compensation of such deputies, counsel, clerks, employees, accountants, actuaries, consultants, assistants and other personnel (collectively, the "Designees") as considered necessary, and all compensation and expenses of the Special Deputy Receiver(s) and the Designees and of taking possession of National Heritage and conducting this proceeding shall be paid out of the funds and assets of National Heritage as administrative expenses under Title 18 Del. C. §5913(f). Each and every Designee shall be deemed to have submitted to the jurisdiction of this Court for the resolution of any disputes between the Receiver and such Designee concerning such Designee's rights, obligations and compensation.

10. The Receiver, the Special Deputy Receivers and the Designees (collectively, the "Indemnitees") shall have no personal liability for their acts or omissions in connection with their duties during the rehabilitation and liquidation periods, provided that such acts or omissions are or were undertaken in good faith and without willful misconduct, gross negligence or criminal intent. All expenses, costs and attorney's fees incurred by the Indemnitees in

connection with any lawsuit brought against them in their representative capacities shall be subject to the approval of the Receiver and shall be exclusively paid out of the funds and assets of National Heritage. The Indemnitees shall not be deemed to be employees of the State of Delaware.

11. The Receiver's right, title and interest in and to all funds recoverable under treaties and agreements of reinsurance heretofore entered into by National Heritage as the ceding insurer shall continue, and all reinsurance companies involved with National Heritage are enjoined and restrained from making any settlements with any claimant or policyholder of National Heritage other than the Commissioner as Receiver. The amounts recoverable by the Receiver from any reinsurer of National Heritage shall not be reduced as a result of this liquidation proceeding or by reason of any partial payment or distribution on a reinsured policy, contract or claim, and each such reinsurer of National Heritage is hereby enjoined and restrained from terminating, cancelling, failing to extend or renew, or reducing or changing coverage under any reinsurance policy or contract with National Heritage, except for non-payment of premium. The Receiver may terminate or rescind any contract with a reinsurer or reinsurers that is contrary to the best interests of the estate in liquidation.

12. The Receiver is hereby authorized to transfer National Heritage's assets and liabilities, to the extent such liabilities are not covered by a state guaranty association, to an affiliate, subsidiary or trust for the overall benefit of National Heritage's policyholders, other creditors, and stockholder, subject to approval by this Court.

13. The Receiver may change to her own name the name of any of National Heritage's accounts, funds or other property or assets held with any bank, savings and loan association or other financial institution, and may withdraw such funds, accounts and other property or assets from such institutions or take any lesser action necessary for the proper conduct of this liquidation.

14. The Receiver may reject any executory contract to which National Heritage is a party that the Receiver may in her discretion determine is burdensome to National Heritage or is otherwise not in its best interest. Any party to a rejected contract may file a claim only for damages arising from such rejection in accordance with paragraph 18, below. All claims of policyholders enumerated in 18 Del. C. §5918(e) shall have priority over all non-policyholder claims arising from the rejection of executory contracts.

15. National Heritage, its former officers, former directors, stockholders, agents, servants and employees and all other persons having notice of these proceedings or of this Order are hereby prohibited from transacting any business of, or on behalf of, National Heritage or selling, transferring, destroying, wasting, encumbering or disposing of any of the Assets, without the prior written permission of the Receiver or until further Order of this Court.

16. All banks, brokerage houses, agents, reinsurers, or other companies or persons, either having in their possession Assets or possible Assets (including, without limitation, books or records of National Heritage), or having notice of these proceedings or of this Order, are hereby enjoined and restrained from disposing of, selling, wasting, encumbering, transferring or destroying any such Assets or possible Assets (including, without limitation, books or records of National Heritage). This prohibition includes, without limitation, Assets, possible Assets,

books or records pertaining to any business transaction between National Heritage and any of said parties. No actions concerning, involving, or relating to such Assets, possible Assets, books or records may be taken by any of the aforesaid persons or entities enumerated herein, without the prior written consent of the Receiver, or until further Order of this Court.

17. All former officers, former directors, stockholders, agents, servants and employees of National Heritage, and all other persons and companies having notice of these proceedings or of this Order, are hereby enjoined and restrained from instituting or further prosecuting any action at law or in equity or in other proceedings against National Heritage, the Commissioner as Receiver, the Special Deputy Receiver(s) or the Designees in connection with their duties as such, or from obtaining preferences, judgments, attachments or other like liens or encumbrances, or foreclosing upon or making of any levy against National Heritage or the Assets, or exercising any right adverse to the right of National Heritage to or in the Assets, or in any way interfering with the Receiver, the Special Deputy Receiver(s) or the Designees either in their possession and control of the Assets, books, and records of National Heritage or in the discharge of their duties hereunder.

18. All persons and companies are hereby enjoined and restrained from asserting any claim against the Commissioner as Receiver of National Heritage, or against the Special Deputy Receiver(s) or the Designees in connection with their duties as such, or against the Assets, except insofar as such claims are brought in the liquidation proceedings of National Heritage.

19. The Court hereby imposes a temporary moratorium on payment of cash values, surrenders, policy loans or any other right to withdraw funds held in conjunction with the policies or contracts of National Heritage, in addition to the Receiver's and the state guaranty associations' right to implement any contractual provision for deferral of cash payment or policy loans, for a period of 120 days from the date of this Order, provided that any state guaranty association may voluntarily choose to permit a full or partial payment of cash values, surrenders, policy loans or any other right to withdraw funds for claims covered by the applicable state guaranty association law.

20. Within a reasonable time after receipt of a claim in the liquidation proceedings of National Heritage, the Receiver shall give notice by mail to any and all persons interested in such claim of the Receiver's proposed report and recommendation to the Court regarding the allowance or denial (in whole or in part) of such claim.

21. Within sixty (60) days of the mailing of the proposed report and recommendation, the interested person being given notice of such proposed report and recommendation may file a written objection thereto with the New Castle County Register in Chancery, 1000 King Street, Wilmington, Delaware, 19801, and the Receiver.

22. Within a reasonable time after such sixty (60) days, there being no objection to the proposed report and recommendation, the Receiver shall file with the Court such report and recommendation.

23. No hearing will be held regarding the proposed report and recommendation in the absence of a written objection thereto by a person interested therein.

24. The Receiver shall provide semiannual reports on the financial condition of National Heritage and on the actions of the Receiver pursuant to this Order.

25. Hereafter the caption of this cause and all pleadings in this matter shall read as:

"IN THE MATTER OF THE LIQUIDATION OF
NATIONAL HERITAGE LIFE INSURANCE COMPANY"

26. This Court shall retain jurisdiction in this cause for the purpose of granting such other and further relief as this cause, the interests of the policyholders, creditors, stockholders of National Heritage and the public may require. The Receiver, or any interested party upon reasonable notice to the Receiver, may at any time make application for such other and further relief as either sees fit.

27. On or before June 30, 1996, the Receiver shall mail a Notice of Liquidation and Bar Date and a proof of claim form to all known claimants and creditors or persons or entities reasonably believed to be claimants or creditors of National Heritage, by first class mail, postage prepaid, and obtain proof of such mailing on United States Postal Form 3606.

28. ANY AND ALL CLAIMS AGAINST THE NATIONAL HERITAGE LIFE INSURANCE COMPANY IN LIQUIDATION NOT PRESENTED TO THE RECEIVER ON OR BEFORE JUNE 30, 1997 SHALL BE FOREVER BARRED FROM SHARING IN DISTRIBUTIONS OF THE ASSETS OF NATIONAL HERITAGE UNLESS THERE IS A SURPLUS AND NATIONAL HERITAGE IS DEEMED SOLVENT PURSUANT TO 18 DEL. C. §5928(a)(2).

SO ORDERED this 21 day of May, 1995.

CERTIFIED
AS A TRUE COPY;
ATTEST:
FREDERICK B. DIXONSTRAW
REGISTER IN CHIEF
By Lisa H. Neal
Deputy I

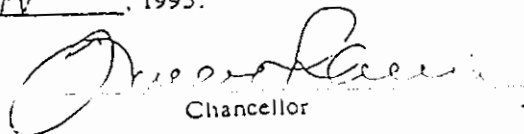

Chancellor

EXHIBIT A

Minute Order Form (Rev. 12/90)

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge or Magistrate Judge	Elaine E. Bucklo	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	April 15, 1996
Case Title	Williams, et al. Vs. National Housing, et al.		

MOTION: [In the following box (a) indicate the party filing the motion, e.g. plaintiff, defendant, 3rd party, plaintiff and (b) state briefly the nature of the motion being presented.]

DOCKET ENTRY:

(1)	Filed motion of (use listing in MOTION box above)	Sent for Microfilm
(2)	Brief in support of motion due	APR 15 1996
(3)	Answer brief to motion due	Reply to answer brief due
(4)	<input type="checkbox"/> Ruling on <input type="checkbox"/> set for	Filed on
(5)	Status hearing <input type="checkbox"/> held <input type="checkbox"/> continued in <input type="checkbox"/> set for <input type="checkbox"/> re-set for	
(6)	Prelim conf <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for	
(7)	Trial <input type="checkbox"/> Set for <input type="checkbox"/> re-set for	
(8)	<input type="checkbox"/> Bench Trial <input type="checkbox"/> Jury Trial <input type="checkbox"/> Hearing held and continued to	
(9)	This case is dismissed <input type="checkbox"/> without <input type="checkbox"/> with prejudice and without costs <input type="checkbox"/> by agreement <input type="checkbox"/> pursuant to	
	<input type="checkbox"/> FRCP 4(j) (failure to serve) <input type="checkbox"/> General Rule 21 (want of prosecution) <input type="checkbox"/> FRCP 43(a)(1) <input type="checkbox"/> FRCP 43(a)(2)	
(10)	<input checked="" type="checkbox"/> Other docket entry Receiver's motion for an order confirming his authority to convey certain REO property to purchaser and his motion for an order confirming his authority with respect to Arapaho Car wash Loans are granted. Nominal defendants' motion to enlarge time until May 3, 1996 to respond to the counterclaim of RAM is granted. Accordingly, reply is extended to May 24, 1996. Commissioner shall set aside escrow to provide for Continental fees, if ordered by it. Enter Amended Declaratory judgment order nunc pro tunc April 3, 1996 on plaintiff's motion for summary judgment on Count I. RAM has until May 13, 1996 to respond to motions to dismiss count I of RAM's counterclaim by Commissioner and Continental. Ruling set for July 11, 1996	

at 8:45 A.M.	No notices required, advised in open court.	61	number of notices
<input type="checkbox"/>	No notices required.	APR 15 1996	date docketed
<input type="checkbox"/>	Notices mailed by judge's staff.		Document #
<input type="checkbox"/>	Notified counsel by telephone.		
<input type="checkbox"/>	Docketing to mail notices.		
<input type="checkbox"/>	Mail AO 450 form.	APR 15 1996	date mailed notice
<input type="checkbox"/>	Copy to judge/magistrate Judge.		mailing copy initials
<input checked="" type="checkbox"/>	Courtroom deputy's initials.		
	Date time received in court clerk's office.		

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DONNA LEE H. WILLIAMS, INSURANCE)
COMMISSIONER OF THE STATE OF DELAWARE,)
AS RECEIVER OF NATIONAL HERITAGE LIFE)
INSURANCE COMPANY IN REHABILITATION,)
CONTINENTAL STOCK TRANSFER & TRUST)
COMPANY, MIDWEST INDEPENDENT BANK,)
and MIDWEST MORTGAGE SERVICING, L.L.C.,)

Plaintiffs,)

v.)

NATIONAL HOUSING EXCHANGE INC., APX)
MORTGAGE SERVICES, INC., and)
RESOURCE ASSET MANAGEMENT, INC.)

Defendants.)

Civil Action 95 C 4243
Hon. Elaine E. Bucklo
Magistrate Judge
Rebecca R. Pallmeyer

AMENDED DECLARATORY JUDGMENT ORDER

This cause coming to be heard on the Motion for Summary Judgment on Count I, filed by the plaintiff Donna H. Lee Williams, Insurance Commissioner of the State of Delaware, as Receiver of National Heritage Life Insurance Company in Liquidation (the "Commissioner"), due notice having been given and the Court being fully advised in the premises,

IT IS HEREBY ORDERED, ADJUDGED, DECLARED AND DECREED:


1. The Commissioner's Motion for Summary Judgment on Count I is granted;
2. All the rights of National Housing Exchange, Inc. under the Indenture and Servicing Agreement dated December 28, 1993 were terminated on November 7, 1994;

3. All the rights of APX Mortgage Services, Inc. under the Indenture and Servicing Agreement dated December 28, 1993 were terminated on November 7, 1994;
4. The rights of both National Housing Exchange, Inc. and APX Mortgage Services, Inc. with respect to the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pool of Mortgages, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993, are hereby terminated;
5. No approvals, agreements, consents, signatures or other action of any nature whatsoever of either or both of National Housing Exchange, Inc. and APX Mortgage Services, Inc. is required in connection with any action pursuant to the Indenture and Servicing Agreement dated December 28, 1993; provided however that nothing herein shall be deemed to relieve either or both of National Housing Exchange, Inc. and APX Mortgage Services, Inc. of their respective obligations under the Indenture and Servicing Agreement dated December 28, 1993;

6. The Commissioner is entitled to unencumbered ownership of the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pool of Mortgages, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993; and,
7. All right, title and interest in and to the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pools of Mortgage, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993 is vested in the National Heritage Life Insurance Company in Liquidation (or any affiliate designated by National Heritage Life Insurance Company in Liquidation with respect to any environmentally impaired Mortgaged Property).

ENTER ORDER:

DATED: APRIL 12, 1996,
nunc pro tunc APRIL 3, 1996



Elaine E. Bucklo
United States District Court
Judge

EXHIBIT "B"

BOOK 13167 PAGE 323

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge or Magistrate Judge	Elaine E. Bucklo	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	February 20, 1997
Case Title	Williams, et al. VS. National Housing, et al.		

(In the following box (a) indicate the party filing the motion, e.g., plaintiff, defendant, 3rd-party plaintiff, and (b) state briefly the nature of the motion being presented.)

MOTION:

DOCKET ENTRY:

Sent for Microfilming

(1) ☐ Filed motion of [use listing in "MOTION" box above]

(2) ☐ Brief in support of motion due _____

(3) ☐ Answer brief to motion due _____ Reply to answer brief due on FEB 24 1997

(4) ☐ Ruling on _____ set for _____ at _____

(5) ☐ Status hearing ☐ held ☐ continued to ☐ set for ☐ re-set for _____ at _____

(6) ☐ Pretrial conf. ☐ held ☐ continued to ☐ set for ☐ re-set for _____ at _____

(7) ☐ Trial ☐ Set for ☐ re-set for _____ at _____

(8) ☐ Bench Trial ☐ Jury Trial ☐ Hearing held and continued to _____ at _____

(9) ☐ This case is dismissed ☐ without ☐ with prejudice and without costs ☐ by agreement ☐ pursuant to ☐ FRCP 4(j) (failure to serve) ☐ General Rule 21 (want of prosecution) ☐ FRCP 41(a)(1) ☐ FRCP 41(a)(2)

(10) ☒ [Other docket entry] The Commissioner's motion for the entry of a revised order regarding Massachusetts Mortgage is granted. Enter Revised Order. Plaintiff's motion for reassignment of case number 96 C 8477 based on relatedness is also granted.

(11) ☒ [For further detail see ☐ order on the reverse of ☒ order attached to the original minute order form.]

FEB 21 1997

FEB 24 1997

Filed on

No notices required, advised in open court.

No notices required.

Notices mailed by judge's staff.

Notified counsel by telephone.

Docketing to mail notices.

Mail AO 450 form.

Copy to judge/magistrate Judge.

courtroom
deputy's
initialsDate/time received in
central clerk's officenumber of
noticesdate
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Document #

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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DOCKETED
FEB 21 1997

DONNA LEE H. WILLIAMS, ET AL.)

Plaintiffs,)

v.)

NATIONAL HOUSING EXCHANGE INC., APX)
MORTGAGE SERVICES, INC., and)
RESOURCE ASSET MANAGEMENT, INC.)

Defendants.)

Civil Action 95 C 4243
Hon. Elaine E. Bucklo
Magistrate Judge
Rebecca R. Pallmeyer

REVISED ORDER REGARDING MASSACHUSETTS MORTGAGES

This matter having come to be heard on the Commissioner's Motion for the Entry of a Revised Order Regarding Massachusetts Mortgages subject to the Amended Declaratory Judgment Order entered April 12, 1996, nunc pro tunc April 3, 1996, a copy of which is attached hereto as Exhibit 1, the Court hereby orders that National Heritage Life Insurance Company, in Liquidation ("NHL"), as to any claim of title and possession by or through National Housing Exchange Inc., APX Mortgage Services, Inc., Resource Asset Management, Inc., and South Star Management Corp. (collectively "the Parties"), has good, valid, and indefeasible ownership of any and all interests, free and clear, and free of any adverse equities and any other claims in and to the mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments, whether or not of record, with respect to the real property located in the Commonwealth of Massachusetts and listed in Exhibit 2, which is attached to this Order and incorporated herein (hereinafter such mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments shall be referenced as the "Mortgages"), together with:

- (1) any and all notes, loan agreements, credit agreements, guaranties, and any other evidence of indebtedness secured by the Mortgages;
 - (2) any and all other security interests or claims pertaining to any indebtedness secured by the Mortgages, including but not limited to any and all (a) security agreements or chattel mortgages, (b) assignments or collateral assignments of rents, leases, and profits, (c) assignments or collateral assignments of accounts receivable, (d) assignments, collateral assignments, or pledges of stock, (e) assignments or collateral assignments of business licenses, permits, service contracts and equipment leases, (f) interests in any insurance proceeds or condemnation awards, (g)
- 321

interests in any indemnification agreements, whether with respect to environmental matters or otherwise, (h) interests in any leases, ground leases, proprietary leases, or occupancy agreements, (i) interests in any UCC financing statements, (j) creditor's claims, and (k) if the subject Mortgage is in the process of being foreclosed, any proceeds being held in the registry of the court of competent jurisdiction or held by the court-appointed receiver; and

(3) any proceeds thereof.

It is further ordered that to the extent that any Mortgages have been foreclosed or repossessed, or title has otherwise reverted to Defendant prior to this Order, that, as between the Parties and NHL, NHL has good, valid and indefeasible fee simple title, free and clear, and free and clear of any claims in and to the real property that is encumbered by said Mortgages, together with all improvements thereon and easements and appurtenances thereto, and together with any and all proceeds concerning such real property held (1) in the registry of any court where such foreclosure action was pending, (2) by any court-appointed receiver for such real property, (3) by any property manager for such real property, and (4) by any other third party. (Hereinafter all Mortgages and related assets and real property and related assets shall be referenced as the "Assets".)

It is further ordered that, if necessary, in order to fulfill the terms and intent of this Order, NHL shall have the right (1) to unilaterally record any documents transferring or conveying any rights relating to the Assets and encompassed by this Order into the name of NHL, including but not limited to any assignment of any of the Mortgages or any UCC-3 financing statements, and (2) to unilaterally record any new financing statements to perfect NHL's security interests in the Assets.

It is further ordered that the Commissioner and NHL are not bound by the terms of any oral agreements affecting the Assets made by any predecessor in interest or former servicer of the Assets.

The recording of a certified copy of this Order in any jurisdiction where any Assets are located shall (1) convey title to such Assets to NHL, pursuant to the terms of this Order, and (2) re-establish any lost original instruments or documents pertaining to such Assets.

Dated: 2/20/97

ENTER:

St. Bunkle
Hon. Elaine E. Buckio
United States District Court Judge

BOOK 19167 PAGE 326

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DONNA LEE H. WILLIAMS, INSURANCE)	
COMMISSIONER OF THE STATE OF DELAWARE,)	
AS RECEIVER OF NATIONAL HERITAGE LIFE)	
INSURANCE COMPANY IN REHABILITATION,)	
CONTINENTAL STOCK TRANSFER & TRUST)	
COMPANY, MIDWEST INDEPENDENT BANK,)	
and MIDWEST MORTGAGE SERVICING, L.L.C.,)	
)	
Plaintiffs,	)	Civil Action 95 C 4243
	)	Hon. Elaine E. Bucklo
v.	)	Magistrate Judge
	)	Rebecca R. Pallmeyer
NATIONAL HOUSING EXCHANGE INC., APX)	
MORTGAGE SERVICES, INC., and)	
RESOURCE ASSET MANAGEMENT, INC.)	
)	
Defendants.)	

AMENDED DECLARATORY JUDGMENT ORDER

This cause coming to be heard on the Motion for Summary Judgment on Count I, filed by the plaintiff Donna H. Lee Williams, Insurance Commissioner of the State of Delaware, as Receiver of National Heritage Life Insurance Company in Liquidation (the "Commissioner"), due notice having been given and the Court being fully advised in the premises,

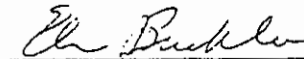
IT IS HEREBY ORDERED, ADJUDGED, DECLARED AND DECREED:

1. The Commissioner's Motion for Summary Judgment on Count I is granted;
2. All the rights of National Housing Exchange, Inc. under the Indenture and Servicing Agreement dated December 28, 1993 were terminated on November 7, 1994.

6. The Commissioner is entitled to unencumbered ownership of the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pool of Mortgages, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993; and,
7. All right, title and interest in and to the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pools of Mortgage, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993 is vested in the National Heritage Life Insurance Company in Liquidation (or any affiliate designated by National Heritage Life Insurance Company in Liquidation with respect to any environmentally impaired Mortgaged Property).

ENTER ORDER:

DATED: APRIL 12, 1996,
nunc pro tunc APRIL 3, 1996



Elaine E. Bucklo
United States District Court
Judge

EXHIBIT 2

November 8, 1936

Schedule of RMH Bond Loans Secured by Real Estate

St.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
A		15	Duprey	81 Sterling Lane	Bradford	800162	9479	524
		16	Gilet	71 Princeton, Unit 108	North Chelmsford	33553	3538	179
	Barnstable	16	Most	108 Rowland Circle, #102	Brewster	32748	6308	112
	Bristol	14	Drumheiser	14 Spruce Street	New Bedford	22979	2228	90
	Essex	15	Daigle	200 Wilson Street, Units 3 & 4	Haverhill	364	10392	472
			Roberts	4 Central Avenue	Methuen	42312	67	333
		16	Gauthier/Roderick	407 Forest Hill Road	Dunstable	79019	3841	233
			Moran	415 Lafayette St.	Salem	53	9067	169
	Hampshire	15	Duquette	72 Barrett Street, Unit 11G	Northampton	19366	(none)	(none)
	Hillsborough	16	Driscoll/Duker	143 Baboosic Lake Rd.	Merrimack	802728	4591	115
	Middlesex	13	Elliot Group Inc.	38-40 Sarah Ave./771 Broadway/245-247 Dutton St.	Lowell	11569	805490	278
		14	Gavriel	26-28 Alma	Lowell	20595	4507	61
		15	Babcock	54 Glenside Avenue	Billerica	12834	804452	21
			Dabillie	861-871 Middlesex Road	Lowell	78706	3839	259
			Dabillie/Gavrie	42 Marshall St.	Lowell	13934	3956	338
			Duffy	97 Daniels Street	Malden	682632	998	129
			Grant	8108 Lawrence Street	Lowell	36079	3556	12
			Oahley	11 Pike Street	Hopkinton	(none)	15414	174
			Torres/Ramos	29-31 Queen St.	Lowell	35435	5005	150
		16	Arbetter	78 Captian James Circle, #028	Ashland	(none)	18215	80
			Eague	40 Aberdeen Street	Lowell	18871	3436	109
			Mipp	65 Indian Brook Road	Ashland	471	20144	600
			Landry	361 Aiken Avenue, No. 4	Lowell	44158	805373	195
			McInnis	369 Aiken Avenue, Unit 16	Lowell	34328	804998	114
		17	Games	6 Ledgewood Way, Unit 16	Peabody	91	9605	576
			Keomouangchanh	204 Ludlam St.	Lowell	24133	804533	29
	New Haven	16	O'Malley	208 West St., Unit 4A	Milford	(none)	11971	298

EXHIBIT 2

November 8, 1996

Title of MHE Bond Loans Secured by Real Estate

St.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
MA	Norfolk	15	Giordano	660 Franklin Street	Wrentham	2654	7474	518
			Magri	7-9 Pierce Street	Milton	44301	7047	487
			Padula	131, 133, & 135 Creek St.	Wrentham	432121	619	119
			Reed	491 Washington Street	Braintree	25552	889	695
		16	Brustin	133 Commander Shea Blvd., Unit Quincy 116		13421	7436	151
	Plymouth	15	Feingold/Conso-ily	45 Manomet Rd.	Plymouth	9742	10728	95
		16	McCann	50 Pinewood Lane	Duxbury	(none)	7044	85
		17	Melone	131 Chapel Street	Pembroke	76854	10509	142
			Pasquariello	1-12 School Street	Marshfield	65134	6922	146
				1-7 School Street	Marshfield	65137	6922	162
	Suffolk	14	Pal	461 Washington Street, Unit 406	Boston	143	13522	64
		15	Deo	56 Round Hill Street	Jamaica Plain	290	15403	128
			Glades Realty Trust	36-38 Grove St.	Chelsea	213	13630	336
			Lewis	135-137 Sydney Street	Boston	(none)	13669	175
			Mannix	25 Vinton Street	South Boston	(none)	16204	136
		16	Cheletsky	8 Kittredge Street, No. 5K	Rosendale	229	14232	60
			Glades Realty Trust	30-34 Grove St.	Chelsea	213	13630	336
			Grubbs	20 American Legion Highway	Boston	33106	14939	1
			Krell	1607 Commonwealth, Unit 30	Boston	41645 - C114-62	(none)	(none)
			Mullings	40 Kingsdale Street	Dorchester	457044	(none)	(none)
		17	Brown	18 Burnett Road, #16	Revere	173	14918	220
	Worcester	14	Reinold/Pirell	135 East Main St., Unit C-6	Westborough	42927	8276	121
		15	Choquette	257 E. Main St.	East Douglas	8559	11900	127
			Griffin	5 Griswold Court	Oxbridge	112513	10821	245
			King	104 Reed Street, Unit 1A	Hopedale	(none)	10285	188
			King	6 Beckman St.	Worcester	121706	10883	243

EXHIBIT 1

November 1, 1996

Schedule of MHE Bond Loans Secured by Real Estate

Rt.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
A	Worcester	16	King	19 Canton Street	Worcester	7662	11097	122
		17	Alex	61A Fox Meadow Road, Unit 61A	Leominster	7486	1561	44
			Pasquariello	4 Oak St., 812/12 Williamaburg Ct., 828/3 & 12 Castle Green, 83	Shrewsbury	5730	9192	161
				12-4 Oak Street	Shrewsbury	5733	9192	171

CERTIFICATE OF SERVICE

I, William P. ZiegelmueLLer, an attorney, certify that
on February 14, 1997, I caused a copy of the foregoing MOTION FOR
A REVISED ORDER REGARDING MASSACHUSETTS MORTGAGES to be served by
U.S. Mail, postage prepaid:


Richard Waris
Pretzel & Stouffer Chartered
One South Wacker Drive
Suite 2500
Chicago, Illinois 60606

James Rolfes
Sachnoff & Weaver, Ltd.
30 S. Wacker Drive
Suite 2900
Chicago, Illinois 60606

David J. Krupp
Miller, Shakman, Hamilton,
Kurtzon & Schlifke
208 South LaSalle Street
Suite 1100
Chicago, Illinois 60604

Robert E. Davy, Jr.
180 N. LaSalle, Suite 2315
Chicago, Illinois 60611

APX Mortgage Services, Inc.
c/o Robert Gorski
P.O. Box 909
Lake Zurich, Illinois 60047-0909



William P. ZiegelmueLLer

142272\010\50COUBAZ.030

ATTEST: WORC. Anthony J. Vigliotti, Register

SUFFOLK, ss.

COMMONWEALTH OF MASSACHUSETTS

SUPERIOR COURT DEPARTMENT
CIVIL ACTION NO. 97-02013 B

DONNA LEE H. WILLIAMS, INSURANCE
COMMISSIONER OF THE STATE OF DELAWARE,
AS RECEIVER OF NATIONAL HERITAGE LIFE
INSURANCE COMPANY IN LIQUIDATION,
Plaintiff,

v.

NATIONAL HOUSING EXCHANGE, INC.,
APX MORTGAGE SERVICES, INC.,
RESOURCE ASSET MANAGEMENT, INC. and
SOUTH STAR MANAGEMENT CORPORATION,
Defendants.

36
GAT

97 OCT 21 PM 4:01

JUDGMENT BY DEFAULT

This action came on for hearing before the Court, KING, J., presiding, upon the marking of Plaintiff, Donna Lee H. Williams, Insurance Commissioner of the State of Delaware as Receiver of National Heritage Life Insurance Company in Liquidation (hereinafter, "NHL") in the above entitled action, for a default judgment by the court, pursuant to Rule 55(b)(2) of Mass. R. Civ. P., and it appearing to the court that the Amended Complaint in said action was filed on the 14'th day of July, 1997, and that no answer or other defense has been filed by the said Defendants, National Housing Exchange, Inc., Resource Asset Management, Inc., APX Mortgage Services, Inc., and/or South Star Management Co., Inc., and that default on those Counts of the Amended Complaint wherein default had not previously been entered, was entered on the 24 day of October 1997, in the office of the clerk of this court, and that no proceedings have been taken by the said Defendants since said default was entered, it is ordered and adjudged, that judgment by default enter as against the Defendants, as follows: as against National Housing Exchange, Inc. and Resource Asset Management, Inc. on Counts IV and V of the Amended Complaint; and, as against APX Mortgage Services, Inc. and South Star Management Co., Inc. on Counts I, II, III, IV and V of the Amended Complaint, all in accordance with the Prayers of that Amended Complaint, thereby recognizing and giving effect to the following judgments in Massachusetts:

JUDGMENT ENTERED ON DOCKET
Pursuant to the provisions of MASS. R. CIV. P. 58(a)
AND NOTICE SENT TO PARTIES PURSUANT TO THE PRO-
VISIONS OF MASS. R. CIV. P. 77(d) AS FOLLOWS:

NOTICE
SENT
10/5/97
J.F.C. Jr.

AS TO APX AND SOUTH STAR:

Prayer 1: The Chancery Court of the State of Delaware in and for New Castle County's Liquidation and Injunction Order in Civil Action No. 13530, dated November 21, 1995, a copy of which is attached hereto as Exhibit "A"; and,

Prayer 2: The United States District Court, Northern District of Illinois, Eastern Division's Amended Declaratory Judgment Order in No. 95 C 4243, dated April 12, 1996, *nunc pro tunc*, April 3, 1996, a copy of which is attached hereto as Exhibit "B"; and,

Prayer 3: The United States District Court, Northern District of Illinois, Eastern Division's Revised Order Regarding Massachusetts Mortgages No. 95 C 4243, dated February 20, 1997, a copy of which is attached hereto as Exhibit "C".

AS TO ALL DEFENDANTS:

Prayer 4: The United States District Court, Northern District of Illinois, Eastern Division's Order Particularly Identifying the I-250 Assets No. 95 C 4243 dated February 7, 1997, a copy of which is attached hereto as Exhibit "D".

Prayer 5: The United States District Court, Northern District of Illinois, Eastern Division's Revised Order Regarding Additional Massachusetts Mortgages No. 95 C 4243, dated April 15, 1997, a copy of which is attached hereto as Exhibit "E".

SO ORDERED:

Patricia King
Superior Court Department, J.

Dated: October 6, 1997

I HEREBY ATTEST AND CERTIFY ON
October 6, 1997, THAT THE
FORESHOWN DOCUMENT IS A FULL
TRUE AND CORRECT COPY OF THE
ORIGINAL ON FILE IN MY OFFICE
AND IN MY LEGAL CUSTODY.

MICHAEL JOSEPH DONOVAN
CLERK OF THE COURT
SUFFOLK SUPERIOR CIVIL COURT
DEPARTMENT OF THE TRIAL COURT

By: Nancy E. Hubbard
Deputy Clerk

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BK-10816

ORIGINAL

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN AND FOR NEW CASTLE COUNTY

IN THE MATTER OF THE
 REHABILITATION OF NATIONAL)
 HERITAGE LIFE INSURANCE COMPANY) C.A. No. 13530

By _____

LIQUIDATION AND INJUNCTION ORDER

WHEREAS, the Honorable Donna Lee H. Williams, the Insurance Commissioner for the State of Delaware, heretofore appointed as the Receiver of the National Heritage Life Insurance Company in Rehabilitation by Order dated May 25, 1994 (the "Receiver"), has filed with the Court a petition seeking a Liquidation and Injunction Order concerning National Heritage Life Insurance Company ("National Heritage") pursuant to Title 18 Del. C. §5901, et seq.;

WHEREAS, a hearing on the financial status of National Heritage and for interested parties to show cause why National Heritage should not be declared insolvent and ordered liquidated was held by the Court on 11/21/95; and

WHEREAS, the Receiver has submitted evidence that National Heritage is insolvent, in that as of September 30, 1995, National Heritage's liabilities exceeded its assets by approximately \$214 million and that as of the hearing date, the negative surplus was approximately \$214 million.

NOW THEREFORE, the Court finds and IT IS HEREBY ORDERED as follows:

1. National Heritage is insolvent as that term is defined in 18 Del. C. §5901.
2. Sufficient cause exists for the liquidation of the respondent, National Heritage, pursuant to 18 Del. C. §§ 5906 and 5910 and a Liquidation and Injunction Order is hereby entered against National Heritage.

~~Ex-18816-182 34843~~

3. The May 25, 1994 Rehabilitation and Injunction Order and the June 27, 1994 Supplemental Rehabilitation Order entered by this Court in this matter are hereby superseded, upon entry of this Order, and the Commissioner shall continue to serve as Receiver of National Heritage for the purpose of liquidation as set forth below.

4. The appointment of the Honorable Donna Lee H. Williams, Commissioner of Insurance of the State of Delaware, and her successors in office, as the Receiver of National Heritage is hereby continued and the Receiver is hereby directed to immediately take or maintain her exclusive possession and control of and to continue or be vested with all right, title and interest in, of or to the property of National Heritage, including, without limitation, all of National Heritage's assets, contracts, rights of action, funds recoverable under treaties and agreements of reinsurance heretofore entered into by National Heritage as the ceding insurer, books, records, bank accounts, certificates of deposit, collateral securing obligations to, or for the benefit of, National Heritage or any trustee, bailee or any agent acting for, or on behalf of, National Heritage (collectively, the "Trustees"), securities or other funds, and all real or personal property of any nature of National Heritage including, without limitation, furniture, fixtures and office supplies, wherever located, and including such property of National Heritage or collateral securing obligations to, or for the benefit of, National Heritage or any Trustee thereof that may be discovered hereafter, and all proceeds of or accessions to any of the foregoing, wherever located, in the possession, custody or control of National Heritage or any Trustee thereof (collectively, the "Assets"), and to liquidate the same pursuant to the provisions of Chapter 32 of the Delaware Insurance Code, and the Receiver is further authorized

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~~Br 10316-103 34843~~

to take such actions as the nature of this cause and interests of the policyholders, creditors and stockholders of National Heritage and the public may require.

5. The Receiver is hereby authorized to continue to deal with the Assets, business and affairs of National Heritage, including, without limitation, the right to sue for, defend for or continue suits already commenced by the Receiver for National Heritage, or for the benefit of National Heritage's policyholders, stockholders and creditors, in the courts and tribunals, agencies or arbitration panels in this State and other states in her name as the Commissioner of Insurance of the State of Delaware, or in the name of National Heritage.

6. The filing or recording of this Order or a certified copy hereof with the Clerk of this Court and with the recorder of deeds of the jurisdiction in which National Heritage's corporate and administration offices are located, or, in the case of real estate, with the recorder of deeds of the jurisdictions where the property is located, shall impart the same notice as would be imparted by a deed, bill of sale or other evidence of title duly filed or recorded with that recorder of deeds. Without limiting the foregoing, the filing of this Order with the Clerk of this Court also constitutes notice to all sureties and fidelity bondholders of National Heritage of all potential claims against National Heritage under such policies and shall constitute the perfection of a lien in favor of National Heritage under the Uniform Commercial Code or any like Federal or state law, regulation or order dealing with the priority of claims.

7. Except as otherwise indicated elsewhere in this Order, and upon notice provided by the Receiver, all agents and brokers, former officers, former directors, stockholders and all other persons or entities now or prospectively holding a part of, or all of, the Assets of National

~~BK 10016 104 34843~~

Heritage shall forthwith file an accounting of these Assets with the Receiver and shall, within ten (10) days of the entry of this Order, turn these Assets over to the Receiver.

8. The Receiver may, in her discretion, appoint or continue the appointment of a consultant or other person or persons to serve as Special Deputy Receiver(s) to assist the Receiver in accomplishing the directive of this Order. The Special Deputy Receivers shall serve at the pleasure of the Receiver and, subject to the approval of the Receiver, shall be entitled to exercise all of the powers and authorities vested in the Receiver pursuant to this Order and applicable law.

9. The Receiver may employ or continue to employ and fix the compensation of such deputies, counsel, clerks, employees, accountants, actuaries, consultants, assistants and other personnel (collectively, the "Designees") as considered necessary, and all compensation and expenses of the Special Deputy Receiver(s) and the Designees and of taking possession of National Heritage and conducting this proceeding shall be paid out of the funds and assets of National Heritage as administrative expenses under Title 18 Del. C. §5913(f). Each and every Designee shall be deemed to have submitted to the jurisdiction of this Court for the resolution of any disputes between the Receiver and such Designee concerning such Designee's rights, obligations and compensation.

10. The Receiver, the Special Deputy Receivers and the Designees (collectively, the "Indemnitees") shall have no personal liability for their acts or omissions in connection with their duties during the rehabilitation and liquidation periods, provided that such acts or omissions are or were undertaken in good faith and without willful misconduct, gross negligence or criminal intent. All expenses, costs and attorney's fees incurred by the Indemnitees in

~~BR-10816-105 34843~~

connection with any lawsuit brought against them in their representative capacities shall be subject to the approval of the Receiver and shall be exclusively paid out of the funds and assets of National Heritage. The Indemnitees shall not be deemed to be employees of the State of Delaware.

11. The Receiver's right, title and interest in and to all funds recoverable under treaties and agreements of reinsurance heretofore entered into by National Heritage as the ceding insurer shall continue, and all reinsurance companies involved with National Heritage are enjoined and restrained from making any settlements with any claimant or policyholder of National Heritage other than the Commissioner as Receiver. The amounts recoverable by the Receiver from any reinsurer of National Heritage shall not be reduced as a result of this liquidation proceeding or by reason of any partial payment or distribution on a reinsured policy, contract or claim, and each such reinsurer of National Heritage is hereby enjoined and restrained from terminating, cancelling, failing to extend or renew, or reducing or changing coverage under any reinsurance policy or contract with National Heritage, except for non-payment of premium. The Receiver may terminate or rescind any contract with a reinsurer or reinsurers that is contrary to the best interests of the estate in liquidation.

12. The Receiver is hereby authorized to transfer National Heritage's assets and liabilities, to the extent such liabilities are not covered by a state guaranty association, to an affiliate, subsidiary or trust for the overall benefit of National Heritage's policyholders, other creditors, and stockholder, subject to approval by this Court.

~~BR-10818-106 54849~~

13. The Receiver may change to her own name the name of any of National Heritage's accounts, funds or other property or assets held with any bank, savings and loan association or other financial institution, and may withdraw such funds, accounts and other property or assets from such institutions or take any lesser action necessary for the proper conduct of this liquidation.

14. The Receiver may reject any executory contract to which National Heritage is a party that the Receiver may in her discretion determine is burdensome to National Heritage or is otherwise not in its best interest. Any party to a rejected contract may file a claim only for damages arising from such rejection in accordance with paragraph 18, below. All claims of policyholders enumerated in 18 Del. C. §5913(e) shall have priority over all non-policyholder claims arising from the rejection of executory contracts.

15. National Heritage, its former officers, former directors, stockholders, agents, servants and employees and all other persons having notice of these proceedings or of this Order are hereby prohibited from transacting any business of, or on behalf of, National Heritage or selling, transferring, destroying, wasting, encumbering or disposing of any of the Assets, without the prior written permission of the Receiver or until further Order of this Court.

16. All banks, brokerage houses, agents, reinsurers, or other companies or persons, either having in their possession Assets or possible Assets (including, without limitation, books or records of National Heritage), or having notice of these proceedings or of this Order, are hereby enjoined and restrained from disposing of, selling, wasting, encumbering, transferring or destroying any such Assets or possible Assets (including, without limitation, books or records of National Heritage). This prohibition includes, without limitation, Assets, possible Assets,

BOOK 19273 PAGE 350

~~BK-10816-187-34843~~

books or records pertaining to any business transaction between National Heritage and any of said parties. No actions concerning, involving or relating to such Assets, possible Assets, books or records may be taken by any of the aforesaid persons or entities enumerated herein, without the prior written consent of the Receiver, or until further Order of this Court.

17. All former officers, former directors, stockholders, agents, servants and employees of National Heritage, and all other persons and companies having notice of these proceedings or of this Order, are hereby enjoined and restrained from instituting or further prosecuting any action at law or in equity or in other proceedings against National Heritage, the Commissioner as Receiver, the Special Deputy Receiver(s) or the Designees in connection with their duties as such, or from obtaining preferences, judgments, attachments or other like liens or encumbrances, or foreclosing upon or making of any levy against National Heritage or the Assets, or exercising any right adverse to the right of National Heritage to or in the Assets, or in any way interfering with the Receiver, the Special Deputy Receiver(s) or the Designees either in their possession and control of the Assets, books, and records of National Heritage or in the discharge of their duties hereunder.

18. All persons and companies are hereby enjoined and restrained from asserting any claim against the Commissioner as Receiver of National Heritage, or against the Special Deputy Receiver(s) or the Designees in connection with their duties as such, or against the Assets, except insofar as such claims are brought in the liquidation proceedings of National Heritage.

~~BK-10316-105-34343~~

19. The Court hereby imposes a temporary moratorium on payment of cash values, surrenders, policy loans or any other right to withdraw funds held in conjunction with the policies or contracts of National Heritage, in addition to the Receiver's and the state guaranty associations' right to implement any contractual provision for deferral of cash payment or policy loans, for a period of 120 days from the date of this Order, provided that any state guaranty association may voluntarily choose to permit a full or partial payment of cash values, surrenders, policy loans or any other right to withdraw funds for claims covered by the applicable state guaranty association law.

20. Within a reasonable time after receipt of a claim in the liquidation proceedings of National Heritage, the Receiver shall give notice by mail to any and all persons interested in such claim of the Receiver's proposed report and recommendation to the Court regarding the allowance or denial (in whole or in part) of such claim.

21. Within sixty (60) days of the mailing of the proposed report and recommendation, the interested person being given notice of such proposed report and recommendation may file a written objection thereto with the New Castle County Register in Chancery, 1000 King Street, Wilmington, Delaware, 19801, and the Receiver.

22. Within a reasonable time after such sixty (60) days, there being no objection to the proposed report and recommendation, the Receiver shall file with the Court such report and recommendation.

23. No hearing will be held regarding the proposed report and recommendation in the absence of a written objection thereto by a person interested therein.

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~~BK-10818-103 34843~~

24. The Receiver shall provide semiannual reports on the financial condition of National Heritage and on the actions of the Receiver pursuant to this Order.

25. Hereafter the caption of this cause and all pleadings in this matter shall read as:

"IN THE MATTER OF THE LIQUIDATION OF
NATIONAL HERITAGE LIFE INSURANCE COMPANY"

26. This Court shall retain jurisdiction in this cause for the purpose of granting such other and further relief as this cause, the interests of the policyholders, creditors, stockholders of National Heritage and the public may require. The Receiver, or any interested party upon reasonable notice to the Receiver, may at any time make application for such other and further relief as either sees fit.

27. On or before June 30, 1996, the Receiver shall mail a Notice of Liquidation and Bar Date and a proof of claim form to all known claimants and creditors or persons or entities reasonably believed to be claimants or creditors of National Heritage, by first class mail, postage prepaid, and obtain proof of such mailing on United States Postal Form 3606.

28. ANY AND ALL CLAIMS AGAINST THE NATIONAL HERITAGE LIFE INSURANCE COMPANY IN LIQUIDATION NOT PRESENTED TO THE RECEIVER ON OR BEFORE JUNE 30, 1997 SHALL BE FOREVER BARRED FROM SHARING IN DISTRIBUTIONS OF THE ASSETS OF NATIONAL HERITAGE UNLESS THERE IS A SURPLUS AND NATIONAL HERITAGE IS DEEMED SOLVENT PURSUANT TO 18 DEL. C. §5928(a)(2).

SO ORDERED this 21 day of May, 1995.

CERTIFIED

AS A TRUE COPY:

ATTEST:

FRANK L. B. HUNTERMAN
REGISTERED CLERK

By Lisa A. Neal

Chancellor

BK-10016-110

Minute Order Form (rev. 12/90)

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge Magistrate Judge	Elaine S. Buckle	Sitting Judge or Other than Assigned Judge	
Case Number	95 C 4243	Date	April 15, 1996
Case Title	Williams, et al. Vs. National Housing, et al.		

MOTION:

In the following box (a) indicate the party filing the motion, (b) identify the motion, (c) identify the date and (d) state briefly the nature of the motion being presented.

DOCKET ENTRY:

(1)	<input type="checkbox"/> Filed motion or other listing in MOTION and answer	Sent for Mail April 15
(2)	<input type="checkbox"/> Brief in support of motion due	APR 15 1996
(3)	<input type="checkbox"/> Answer brief to motion due	Reply to answer brief due
(4)	<input type="checkbox"/> Ruling on <input type="checkbox"/> hearing	Filed on
(5)	Status hearing <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for	
(6)	Pretrial conf. <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for	
(7)	Trial <input type="checkbox"/> Set for <input type="checkbox"/> re-set for	
(8)	<input type="checkbox"/> Bench Trial <input type="checkbox"/> Jury Trial <input type="checkbox"/> Hearing held and continued to	
(9)	This case is dismissed <input type="checkbox"/> without <input type="checkbox"/> with prejudice and without costs <input type="checkbox"/> by agreement <input type="checkbox"/> pursuant to	
	<input type="checkbox"/> FRCP 41p (failure to serve) <input type="checkbox"/> General Rule 21 (want of prosecution) <input type="checkbox"/> FRCP 41a (dismissal) <input type="checkbox"/> FRCP 41b	
(10)	<input checked="" type="checkbox"/> Other docket entry Receiver's motion for an order confirming his authority to convey certain REO property to purchaser and his motion for an order confirming his authority with respect to Arapaho Car wash Loans are granted. Nominal defendants' motion to enlarge time until May 3, 1996 to respond to the counterclaim of RAM is granted. Accordingly, reply is extended to May 24, 1996. Commissioner shall set aside escrow to provide for Continental fees, if ordered by it. Enter Amended Declaratory judgment order nunc pro tunc April 3, 1996 on plaintiff's motion for summary judgment on Count I. RAM has until May 13, 1996 to respond to motions to dismiss count I of RAM's counterclaim by Commissioner and Continental. Ruling set for July 11, 1996 at 8:45 A.M.	
<input type="checkbox"/> No notices required, advised in open court <input type="checkbox"/> No notices required <input type="checkbox"/> Notices mailed by judge's staff <input type="checkbox"/> Notified counsel by telephone <input checked="" type="checkbox"/> Docketing to be done by court <input type="checkbox"/> Mail AO 450 form <input type="checkbox"/> Copy to judge magistrate Judge		number of notices date docketed docketing date initials date mailed notice mailing date initials
Courtroom deposit initials		Date time received in court clerk's Office

Document #

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~~BR-10816 117 34843~~

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DONNA LEE H. WILLIAMS, INSURANCE)	
COMMISSIONER OF THE STATE OF DELAWARE,)	
AS RECEIVER OF NATIONAL HERITAGE LIFE)	
INSURANCE COMPANY IN REHABILITATION,)	
CONTINENTAL STOCK TRANSFER & TRUST)	
COMPANY, MIDWEST INDEPENDENT BANK,)	
and MIDWEST MORTGAGE SERVICING, L.L.C.,)	
)	
Plaintiffs,	)	Civil Action 95 C 4243
	)	Hon. Elaine E. Bucklo
v.	)	Magistrate Judge
	)	Rebecca R. Pallmeyer
NATIONAL HOUSING EXCHANGE INC., APX)	
MORTGAGE SERVICES, INC., and)	
RESOURCE ASSET MANAGEMENT, INC.)	
)	
Defendants.)	

AMENDED DECLARATORY JUDGMENT ORDER

This cause coming to be heard on the Motion for Summary Judgment on Count I, filed by the plaintiff Donna H. Lee Williams, Insurance Commissioner of the State of Delaware, as Receiver of National Heritage Life Insurance Company in Liquidation (the "Commissioner"), due notice having been given and the Court being fully advised in the premises,

IT IS HEREBY ORDERED, ADJUDGED, DECLARED AND DECREED:

1. The Commissioner's Motion for Summary Judgment on Count I is granted;
2. All the rights of National Housing Exchange, Inc. under the Indenture and Servicing Agreement dated December 28, 1993 were terminated on November 7,

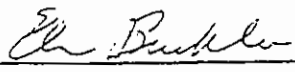
1994

~~BK - 10818 - 115 - 34843~~

6. The Commissioner is entitled to unencumbered ownership of the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pool of Mortgages, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993; and,
7. All right, title and interest in and to the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pools of Mortgage, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993 is vested in the National Heritage Life Insurance Company in Liquidation (or any affiliate designated by National Heritage Life Insurance Company in Liquidation with respect to any environmentally impaired Mortgaged Property).

ENTER ORDER:

DATED: APRIL 12, 1996,
nunc pro tunc APRIL 3, 1996


Elaine E. Bucklo
United States District Court
Judge

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~~BK 10018-113 34843~~

EXHIBIT 2

November 8, 1994

Schedule of RMBS Bond Loans Secured by Real Estate

St.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
MA		15	Duprey	81 Sterling Lane	Bradford	800162	2479	51
		16	Gilet	71 Princeton, Unit 108	North Chelmsford	13553	2528	170
Barnstable		16	Moat	108 Nowland Circle, #102	Brewster	12746	6209	111
Bristol		14	Drumheiser	14 Spruce Street	New Bedford	22979	2228	90
Essex		15	Daigle	200 Wilson Street, Units 2 & 4	Haverhill	164	10391	470
			Roberts	4 Central Avenue	Methuen	42312	67	333
		16	Cauthier/Roderick	407 Forest Hill Road	Dunstable	19019	3841	233
Hampshire		15	Duquette	415 Lafayette St.	Salem	53	9067	169
				72 Barrett Street, Unit 11G	Northampton	19366	(none)	(none)
Rillaborough		16	Driscoll/Zuker	143 Baboosic Lake Rd.	Merrimack	801728	4591	115
Middlesex		12	Elliot Group Inc.	38-40 Sarah Ave./771 Broadway/285-287 Dutton St.	Lovell	11569	805490	278
		14	Gavriel	26-28 Alma	Lovell	20595	4507	61
		15	Sabcock	54 Glenside Avenue	Billerica	12824	804452	21
			Dabille	661-671 Middlesex Road	Lovell	78706	3839	259
				42 Marshall St. 1	Lovell	13934	3956	338
			Duffy	97 Daniels Street	Malden	682632	998	129
			Grant	8108 Lawrence Street	Lovell	36079	2556	12
			Oehley	11 Pike Street	Hopkinton	(none)	15414	174
			Torres/Ramos	79-31 Queen St.	Lovell	35435	5005	150
		16	Arbeter	78 Captian Eames Circle, #07B	Ashland	(none)	18215	80
			Bague	40 Aberdeen Street	Lovell	14871	3436	109
			Hipp	65 Indian Brook Road	Ashland	471	20144	600
			Landry	361 Aiken Avenue, No. 4	Lovell	44158	805173	195
New Haven			McInnis	349 Aiken Avenue, Unit 16	Lovell	34328	821998	114
				6 Ledgerwood Way, Unit 16	Peabody	91	9605	576
		17	Gomez	704 Ludlow St.	Lovell	74177	701531	74
		16	O'Malley	208 West St., Unit 4A	Milford	(none)	11971	278

Br 10816 120 34843

EXHIBIT 1

November 4, 1994

List of MCM Bond Loans Secured by Real Estate

St.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
MA	Norfolk	15	Giordano	660 Franklin Street	Wrentham	1454	7474	118
			Magri	7-9 Pierce Street	Milton	44301	7047	487
			Pachula	131, 133, & 135 Creek St.	Wrentham	492121	619	119
			Reed	691 Washington Street	Braintree	25552	189	555
		16	Brustein	133 Commander Shea Blvd., Unit Quincy 116		43421	7436	151
Plymouth	Plymouth	15	Feingold/Conno lly	45 Manomet Rd.	Plymouth	9742	10728	95
		16	McCann	50 Pinewood Lane	Duxbury	(none)	7044	85
		17	Malone	131 Chapel Street	Pembroke	76854	10509	342
			Pasquariello	1-12 School Street	Marshfield	65134	6922	146
				1-7 School Street	Marshfield	65137	6922	162
Suffolk	Suffolk	14	Pal	461 Washington Street, Unit 406	Boston	143	13522	64
		15	Deo	56 Round Hill Street	Jamaica Plain	290	15403	128
			Glades Realty Trust	36-38 Grove St.	Chelsea	213	13610	336
			Levis	135-137 Sydney Street	Boston	(none)	13669	175
			Mannix	29 Vinson Street	South Boston	(none)	16204	136
		16	Cheletsky	8 Kittredge Street, No. 5K	Rosedale	239	14232	60
			Glades Realty Trust	30-34 Grove St.	Chelsea	213	13610	336
			Grubbs	20 American Legion Highway	Boston	32106	14939	1
			Krell	1607 Commonwealth, Unit 10	Boston	41445 - CL14-62	(none)	(none)
			Mullings	40 Kingsdale Street	Dorchester	457044	(none)	(none)
		17	Brown	18 Burnett Road, #18	Revere	173	14916	220
Worcester	Worcester	14	Reinold/Firell 1	135 East Main St., Unit C-8	Westborough	43917	4276	321
		15	Choquette	257 E. Main St.	East Douglas	8559	11900	127
			Griffin	5 Griswold Court	Oxford	112513	10801	265
		16	Rushmore LTD	308 West Street, Unit 4A	Hopedale	(none)	10285	188
			King	6 Beckman St	Worcester	121706	10881	243

~~BK: 10816~~

Name of Assigned Judge or Magistrate Judge	Elaine E. Buckle	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	February 20, 1997
Case Title	Williams, et al. VS. National Housing, et al.		

MOTION:

~~Sent for Microfilming~~

- (11) ☒ [For further detail see ☐ order on the reverse of ☒ order attached to the original minute order form.]

No notices required, advised in open court

No notices required

Helices mailed by judge's staff

Notified counsel by telephone

Looking to men notices

Mail AO 450 form.

Copy to judge/magistrate Judge.

courtroom
deputy's
Initials

RECEIVED FOR DOCKETING
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97 FEB 20 11 06:35

Date/time received in
central Clerk's Office

FEB 21 1997

Feb 21 1957

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notices

date
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date mailed
notice

making
duty models

Document #

325

~~84-10816-113 34843~~

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DOCKETED

FEB 21 1997

DONNA LEE H. WILLIAMS, ET AL.

Plaintiffs,

v.

NATIONAL HOUSING EXCHANGE INC., APX
MORTGAGE SERVICES, INC., and
RESOURCE ASSET MANAGEMENT, INC.

Defendants.

Civil Action 95 C 4343
Hon. Elaine E. Buckle
Magistrate Judge
Rebecca R. Fallmeyer

REVISED ORDER REGARDING MASSACHUSETTS MORTGAGES

This matter having come to be heard on the Commissioner's Motion for the Entry of a Revised Order Regarding Massachusetts Mortgages subject to the Amended Declaratory Judgment Order entered April 12, 1996, nunc pro tunc April 3, 1996, a copy of which is attached hereto as Exhibit 1, the Court hereby orders that National Heritage Life Insurance Company, in Liquidation ("NHL"), as to any claim of title and possession by or through National Housing Exchange Inc., APX Mortgage Services, Inc., Resource Asset Management, Inc., and South Star Management Corp. (collectively "the Parties"), has good, valid, and indefeasible ownership of any and all interests, free and clear, and free of any adverse equities and any other claims in and to the mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments, whether or not of record, with respect to the real property located in the Commonwealth of Massachusetts and listed in Exhibit 2, which is attached to this Order and incorporated herein (hereinafter such mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments shall be referenced as the "Mortgages"), together with:

- (1) any and all notes, loan agreements, credit agreements, guaranties, and any other evidence of indebtedness secured by the Mortgages;
- (2) any and all other security interests or claims pertaining to any indebtedness secured by the Mortgages, including but not limited to any and all (a) security agreements or chattel mortgages, (b) assignments or collateral assignments of rents, leases, and profits, (c) assignments or collateral assignments of accounts receivable, (d) assignments, collateral assignments, or pledges of stock, (e) assignments or collateral assignments of business licenses, permits, service contracts and equipment leases, (f) interests in any insurance proceeds or condemnation awards, (g)

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BOOK 19273 PAGE 362

BK-10016-116 34843

interests in any indemnification agreements, whether with respect to environmental matters or otherwise, in interests in any leases, ground leases, proprietary leases, or occupancy agreements, (i) interests in any UCC financing statements, (j) creditor's claims, and (k) if the subject Mortgage is in the process of being foreclosed, any proceeds being held in the registry of the court of competent jurisdiction or held by the court-appointed receiver; and

(3) any proceeds thereof.

It is further ordered that to the extent that any Mortgages have been foreclosed or repossessed, or title has otherwise reverted to Defendant prior to this Order, that, as between the Parties and NHL, NHL has good, valid and indefeasible fee simple title, free and clear, and free and clear of any claims in and to the real property that is encumbered by said Mortgages, together with all improvements thereon and easements and appurtenances thereto, and together with any and all proceeds concerning such real property held (1) in the registry of any court where such foreclosure action was pending, (2) by any court-appointed receiver for such real property, (3) by any property manager for such real property, and (4) by any other third party. (Hereinafter all Mortgages and related assets and real property and related assets shall be referenced as the "Assets".)

It is further ordered that, if necessary, in order to fulfill the terms and intent of this Order, NHL shall have the right (1) to unilaterally record any documents transferring or conveying any rights relating to the Assets and encompassed by this Order into the name of NHL, including but not limited to any assignment of any of the Mortgages or any UCC-3 financing statements, and (2) to unilaterally record any new financing statements to perfect NHL's security interests in the Assets.

It is further ordered that the Commissioner and NHL are not bound by the terms of any oral agreements affecting the Assets made by any predecessor in interest or former servicer of the Assets.

The recording of a certified copy of this Order in any jurisdiction where any Assets are located shall (1) convey title to such Assets to NHL, pursuant to the terms of this Order, and (2) re-establish any lost original instruments or documents pertaining to such Assets.

Dated: 2/20/07

Elaine E. Bucklo
Hon. Elaine E. Bucklo
United States District Court Judge

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge or Magistrate Judge	Elaine E. Bucklo	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	February 7, 1997
Case Title	Williams, et al. Vs. National Housing, et al.		

(In the following box (a) indicate the party filing the motion, e.g., plaintiff, defendant, 3rd-party plaintiff, and (b) state briefly the nature of the motion being presented.)

MOTION:

DOCKET ENTRY:

(1)	<input type="checkbox"/>	Filed motion of [use listing in "MOTION" box above]	Sent for Microfilming
(2)	<input type="checkbox"/>	Brief in support of motion due	
(3)	<input type="checkbox"/>	Answer brief to motion due	Reply to answer brief due FEB 10 1997
(4)	<input type="checkbox"/>	<input type="checkbox"/> Ruling on <input type="checkbox"/> Hearing set for	Filed on
(5)	<input type="checkbox"/>	Status hearing <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for	
(6)	<input type="checkbox"/>	Pretrial conf. <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for	
(7)	<input type="checkbox"/>	Trial <input type="checkbox"/> Set for <input type="checkbox"/> re-set for	
(8)	<input type="checkbox"/>	<input type="checkbox"/> Bench Trial <input type="checkbox"/> Jury Trial <input type="checkbox"/> Hearing held and continued to	
(9)	<input type="checkbox"/>	This case is dismissed <input type="checkbox"/> without <input type="checkbox"/> with prejudice and without costs <input type="checkbox"/> by agreement <input type="checkbox"/> pursuant to	
	<input type="checkbox"/>	<input type="checkbox"/> FRCP 4(j) (failure to serve) <input type="checkbox"/> General Rule 21 (want of prosecution) <input type="checkbox"/> FRCP 41(a)(1) <input type="checkbox"/> FRCP 41(a)(2)	
(10)	<input checked="" type="checkbox"/>	[Other docket entry] Commissioner's motion for the entry of an order particularly identifying the I-250 assets is granted. Enter Order.	

(11) ☒ (For further detail see ☐ order on the reverse of ☒ order attached to the original minute order form.)

<input type="checkbox"/> No notices required, advised in open court.		FEB 10 1997	number of notices	Document # 320
<input type="checkbox"/> No notices required.			date docketed	
<input type="checkbox"/> Notices mailed by judge's staff.			docketing dply. initials	
<input type="checkbox"/> Notified counsel by telephone.			date mailed notice	
<input checked="" type="checkbox"/> Docketing to mail notices.			mailing dply initials	
<input type="checkbox"/> Mail AO 450 form.				
<input type="checkbox"/> Copy to judge/magistrate Judge				
<input checked="" type="checkbox"/> courtroom deputy's initials	Date/time received in central Clerk's Office			

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DONNA LEE H. WILLIAMS, ET AL.

Plaintiffs,

v.

NATIONAL HOUSING EXCHANGE INC., APX
MORTGAGE SERVICES, INC., and
RESOURCE ASSET MANAGEMENT, INC.

Defendants.

) Civil Action 95 C 4243
) Hon. Elaine E. Bucklo
) Magistrate Judge
) Rebecca R. Pailmeyer
)
)
)
)
)

DOCKETED
FEB 10 1997

ORDER PARTICULARLY IDENTIFYING THE I-250 ASSETS

This matter having come to be heard on the Commissioner's Motion for the Entry of an Order Particularly Identifying the I-250 Assets, the Court hereby orders that National Heritage Life Insurance Company, in Liquidation ("NHL") has good, valid, and indefeasible ownership of any and all interests, all free and clear of any defects of title and free and clear of any leases, liens, security interests, encumbrances, adverse equities and any other claims of any other person or entity, in and to the mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments, whether or not of record, with respect to the real property listed in Exhibit A, which is attached to this Order and incorporated herein (hereinafter such mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments shall be referenced as the "Mortgages"), together with:

- (1) any and all notes, loan agreements, credit agreements, guaranties, and any other evidence of indebtedness secured by the Mortgages;
- (2) any and all other security interests or claims pertaining to any indebtedness secured by the Mortgages, including but not limited to any and all (a) security agreements or chattel mortgages, (b) assignments or collateral assignments of rents, leases, and profits, (c) assignments or collateral assignments of accounts receivable, (d) assignments, collateral assignments, or pledges of stock, (e) assignments or collateral assignments of business licenses, permits, service contracts and equipment leases, (f) interests in any insurance proceeds or condemnation awards, (g) interests in any indemnification agreements, whether with respect to environmental matters or otherwise, (h) interests in any leases, ground leases, proprietary leases, or occupancy agreements, (i) interests in any

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UCC financing statements, (j) creditor's claims, and (k) if the subject Mortgage is in the process of being foreclosed, any proceeds being held in the registry of the court of competent jurisdiction or held by the court-appointed receiver; and

(3) any proceeds thereof.

It is further ordered that to the extent that any Mortgages have been foreclosed, NHL has good, valid and indefeasible fee simple title, free and clear of any defects of title and free and clear of any claims of any other person or entity, in and to the real property that is encumbered by said Mortgages, together with all improvements thereon and easements and appurtenances thereto, and together with any and all proceeds concerning such real property held (1) in the registry of any court where such foreclosure action was pending, (2) by any court-appointed receiver for such real property, (3) by any property manager for such real property, and (4) by any other third party. (Hereinafter all Mortgages and related assets and real property and related assets shall be referenced as the "Assets".)

It is further ordered that, if necessary, in order to fulfill the terms and intent of this Order, NHL shall have the right (1) to unilaterally record any documents transferring or conveying any rights relating to the Assets and encompassed by this Order into the name of NHL, including but not limited to any assignment of any of the Mortgages or any UCC-3 financing statements, and (2) to unilaterally record any new financing statements to perfect NHL's security interests in the Assets.

It is further ordered that the Commissioner and NHL are not bound by the terms of any oral agreements affecting the Assets made by any predecessor in interest or former servicer of the Assets.

The recording of a certified copy of this Order in any jurisdiction where any Assets are located shall (1) convey title to such Assets to NHL, pursuant to the terms of this Order, and (2) re-establish any lost original instruments or documents pertaining to such Assets.

Dated: 2/7/97

ENTER: Elaine E. Bucklo
Hon. Elaine E. Bucklo
United States District Court Judge

BOOK 19273 PAGE 366

Page 1

ARCH PHRASE:	CLASSIF CONTAINS	1-250 AND NOT CLASSIF CONTAINS	bond AND NOT CURSTAT	CONTAINS "paid off"					
DATE COUNTY	MORTGAGR	ADDR	CITY	DOCNO.	BK#	PAGENO.	SHARES	UCC#	COOP
San Bernardino	Hobbs	1358 N. Idyllwild Rialto		84-304157	(none)	(none)			
Fairfield	Bacon	120 Huntington Tpk., Unit 303	Bridgeport	16789	2355	211			
Lucas	Lenci	248 Willow St.	Waterbury	2145	2586	106			
New Haven	Lenci	242-244 Willow St.	Waterbury	2143	2586	94			
New Haven	Batam Associates	1070 New Haven, Unit 53	Milford	10648	1607	125			
Orleans Parish	Davis	1371-1373 St. Bernard Avenue	New Orleans	482917	M082414	136			
St. Bernard Parish	Aries Enterprise	201, 203 & 205 South Pl.	Chalmette	(none)	142	196			
Essex	Chimentí	F-1 Colonial Dr., Andover Unit 6		(none)	2522	105			
Gloucester	Afoley	520 Cascade Ct., Unit 520	Sewell	11348	MB 1528	87			
New York	Eisenberg	66-33 98th Pl., Unit 3J	Rego Park	Stock #154			204	(none)	98th Place Owners
New York	Poupon	5 Tudor City Pl., New York Unit 308		Stock #A602			156	95PN18564	Windsor Owners
New York	Verigan	5 Tudor City Pl., New York Unit 237		Stock #A610			145	95PN18563	Windsor Owners
New York	Jenkins	5 Tudor City Pl., New York Unit 437		Stock #A580			149	95PN34567	Windsor Owners
New York	Suh	5 Tudor City Pl., New York Unit B-17		Stock #A582			284	95PN18119	Windsor Owners
New York	McKenna	5 Tudor City Pl., New York Unit 715		Stock #B364			189	38PN67159	Tudor Owners
Queens	Brodigan	5 Bedford Ave.	Rockaway Park	Stock #9471			175	151741	Breezy Point Co-operative, Inc.
Suffolk	Gill	365 County Rd., Unit 39	Shinnecock Hills	CD 53814	12307	391			

Page 2

SEARCH PHRASE:	CLASSIF	CONTAINS	1-250 AND NOT C	IF CONTAINS bond	AND NOT CURSTAT	CONTAINS "paid off"				
STATE	COUNTY	MORTGAGR	ADDR	CITY	DOCHD.	BK#	PAGENO.	SHARES	UCC#	COOP
H	Franklin	Messenger	6798 Lehman Rd,	Canal Winchester	(none)	3469	633			
H	Franklin	Singer	809-811 E. 2nd Ave.	Columbus	23694	11293	803			
H	Franklin	Mullen	333 S. Sylvan Ave.	Columbus	5710	11073	820			
H	Lucas	Hudson	2741 Stickney Ave.	Toledo	20062	83	912C09			
H	Warren	Green	395 Morrow Rd.	South Lebanon	12684	037	89			
A	Philadelphia	Laren	213 S. 46th St.	Philadelphia	(none)	M0922	316			
X	Collin	Malone, II	Lot 1 in Block 6 of Bent Trail Addition 3	Dallas	43529	2894	384			
X	Lubbock	Patton	1205-1207 34th St.	Lubbock	11558	2794	32			
X	Nueces	Loas Tire & Auto Supply	4015 Ayers	Corpus Christi	596050	Roll 195	1705			
A	Loudoun	Ritenour	South-West corner Leesburg of Church & State Sts.		11314	1043	1333			
A	Washington	Kassir/KHS Associates	920-924 Business Pk.	Chesapeake	22634	2324	697			

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge or Magistrate Judge	Elaine E. Bucklo	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	April 16, 1997
Case Title	Williams, et al. Vs. National Housing, et al.		

MOTION: [In the following box (a) indicate the party filing the motion, e.g., plaintiff, defendant, 3rd-party plaintiff, and (b) state briefly the nature of the motion being presented.]

DOCKET ENTRY:

(1)	<input type="checkbox"/> Filed motion of [use listing in "MOTION" box above]	Sent for Microfilming
(2)	<input type="checkbox"/> Brief in support of motion due _____	
(3)	<input type="checkbox"/> Answer brief to motion due _____	Reply to answer brief due APR 17 1997
(4)	<input type="checkbox"/> Ruling on _____ set for _____	Filed on APR 21 1997
(5)	<input type="checkbox"/> Status hearing <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for _____ at _____	
(6)	<input type="checkbox"/> Pretrial conf. <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for _____ at _____	
(7)	<input type="checkbox"/> Trial <input type="checkbox"/> Set for <input type="checkbox"/> re-set for _____ at _____	
(8)	<input type="checkbox"/> Bench Trial <input type="checkbox"/> Jury Trial <input type="checkbox"/> Hearing held and continued to _____ at _____	
(9)	<input type="checkbox"/> This case is dismissed <input type="checkbox"/> without <input type="checkbox"/> with prejudice and without costs <input type="checkbox"/> by agreement <input type="checkbox"/> pursuant to <input type="checkbox"/> FRCP 4(j) (failure to serve) <input type="checkbox"/> General Rule 21 (want of prosecution) <input type="checkbox"/> FRCP 41(a)(1) <input type="checkbox"/> FRCP 41(a)(2)	
(10)	<input checked="" type="checkbox"/> [Other docket entry] Enter order regarding additional Massachusetts mortgages.	

(11) ☒ [For further detail see ☐ order on the reverse of ☒ order attached to the original minute order form.]

<input type="checkbox"/> No notices required, advised in open court.	<p>21 APR 1997</p> <p>APR 17 1997</p> <p>APR 17 1997</p>	number of notices	<p>Document #</p> <p>351</p>
<input type="checkbox"/> No notices required		date docketed	
<input type="checkbox"/> Notices mailed by judge's staff.		docketing dpty. initials	
<input checked="" type="checkbox"/> Notified counsel by telephone.		date mailed notice	
<input type="checkbox"/> Mail AD 450 form.		mailing dpty. initials	
<input type="checkbox"/> Copy to judge/magistrate Judge.			
<input checked="" type="checkbox"/> courtroom deputy's initials	Date/time received in central Clerk's Office		

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DOCKETED

APR 17 1997

DONNA LEE H. WILLIAMS, ET AL.

Plaintiffs,

v.

NATIONAL HOUSING EXCHANGE INC., APX
MORTGAGE SERVICES, INC., and
RESOURCE ASSET MANAGEMENT, INC.

Defendants.

) Civil Action 95 C 4243
) Hon. Elaine E. Bucklo
) Magistrate Judge
) Rebecca R. Pallmeyer

ORDER REGARDING ADDITIONAL MASSACHUSETTS MORTGAGES

This matter having come to be heard on the Commissioner's Emergency Motion for an Order Confirming Title to Additional Massachusetts Mortgages, the Court hereby orders that National Heritage Life Insurance Company, in Liquidation ("NHL") has good, valid, and indefeasible ownership of any and all interests, all free and clear of any defects of title and free and clear of any leases, liens, security interests, encumbrances, adverse equities and any other claims of any other person or entity, in and to the mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments, whether or not of record, with respect to the real property located in the State of Massachusetts and listed in Exhibit A, which is attached to this Order and incorporated herein (hereinafter such mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments shall be referenced as the "Mortgages"), together with:

- (1) any and all notes, loan agreements, credit agreements, guaranties, and any other evidence of indebtedness secured by the Mortgages;
- (2) any and all other security interests or claims pertaining to any indebtedness secured by the Mortgages, including but not limited to any and all (a) security agreements or chattel mortgages, (b) assignments or collateral assignments of rents, leases, and profits, (c) assignments or collateral assignments of accounts receivable, (d) assignments, collateral assignments, or pledges of stock, (e) assignments or collateral assignments of business licenses, permits, service contracts and equipment leases, (f) interests in any insurance proceeds or condemnation awards, (g) interests in any indemnification agreements, whether with respect to environmental matters or otherwise, (h) interests in any leases, ground leases, proprietary

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BOOK 19273 PAGE 370

leases, or occupancy agreements, (i) interests in any UCC financing statements, (j) creditor's claims, and (k) if the subject Mortgage is in the process of being foreclosed, any proceeds being held in the registry of the court of competent jurisdiction or held by the court-appointed receiver; and

(3) any proceeds thereof.

It is further ordered that to the extent that any Mortgages have been foreclosed, NHL has good, valid and indefeasible fee simple title, free and clear of any defects of title and free and clear of any claims of any other person or entity, in and to the real property that is encumbered by said Mortgages, together with all improvements thereon and easements and appurtenances thereto, and together with any and all proceeds concerning such real property held (1) in the registry of any court where such foreclosure action was pending, (2) by any court-appointed receiver for such real property, (3) by any property manager for such real property, and (4) by any other third party. (Hereinafter all Mortgages and related assets and real property and related assets shall be referenced as the "Assets".)

It is further ordered that, if necessary, in order to fulfill the terms and intent of this Order, NHL shall have the right (1) to unilaterally record any documents transferring or conveying any rights relating to the Assets and encompassed by this Order into the name of NHL, including but not limited to any assignment of any of the Mortgages or any UCC-3 financing statements, and (2) to unilaterally record any new financing statements to perfect NHL's security interests in the Assets.

It is further ordered that the Commissioner and NHL are not bound by the terms of any oral agreements affecting the Assets made by any predecessor in interest or former servicer of the Assets.

The recording of a certified copy of this Order in any jurisdiction where any Assets are located shall (1) convey title to such Assets to NHL, pursuant to the terms of this Order, and (2) re-establish any lost original instruments or documents pertaining to such Assets.

Dated: 3/31/07

ENTER: 

Hon. Elaine E. Bucklo
United States District Court Judge

Page 1

SEARCH PHRASE:	CURSTAT	CONTAINS	of	AND	CLASSIF	CONTAINS	band	AND	BK#	EXISTS	AND	STATE	CONTAINS	ma
STATE	COUNTY	MORTGAGE		ADDR		CITY		DOCHO.		BK#			PAGENO.	
A	Bristol	Briarcliff 90 Realty Trust		152 N. Main St., Units 1-8 172 N. Main St., Units 1-8 110 Briarcliff Rd., Units 1-8 100 Briarcliff Rd., Units 1-8 90 Briarcliff Rd., Units 1-8		Raynham				4650			137	
A	Middlesex	Tiger Realty Trust		225 Steadman St., Units 29 & 30		Lowell		34116		4602			181	
A	Middlesex	Adams		223 Courtland Street		Holliston				21050			88	
A	Plymouth	Clampa		40 Matakeesett St., Unit 24		Pembroke		14473		10170			112	
A	Suffolk	Thomas		151 Tremont Street, No. 23P		Boston		464		14983			325	
A	Suffolk	Watkins/Williams		158 Glenway St.		Dorchester		283		14751			151	

ATTEST: WORC. Anthony J. Vigliotti, Register

27191PG112

152487

DEED

45-ny
20

We, E. PERRY KING AND T.A. KING

Of

grant to ~~MAHSAUR GAVAI AND NADER GAVAI~~ Mahsour Gaval and Nader Gaval

of 431 SALISBURY ST WORESTER MA 01093

for consideration of ~~THE SUM OF SEVEN THOUSAND AND NO/100 DOLLARS (\$7,000.00)~~
ONE HUNDRED TEN THOUSAND AND 00/100 DOLLARS (\$110,000.00)

with quitclaim covenants

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF.

02 AUG -9 PM 2:02

Witness our hands and seals this 15TH day of July, 2002

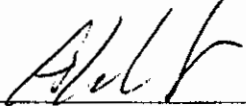
 
E. PERRY KING T.A. KING

THE COMMONWEALTH OF MASSACHUSETTS

Worcester, S.S.

JULY 15, 2002

Then personally appeared the above named E. PERRY KING AND T.A. KING and acknowledged the foregoing to be THEIR free act and deed before me,


Notary Public: ALAN MASON
My commission expires: MARCH 21, 2008

WORCESTER
DEEDS REG 20
WORCESTER

CANCELLED 01

FEE \$501.60

CASH \$501.60

PROPERTY ADDRESS: 19 CANTON STREET, WORCESTER, MA

BN 27191 PG 113

SCHEDULE A

Worcester, Worcester County, Massachusetts, in the southerly part thereof, in the section known as Irvington, on the southerly side of Canton Street, shown as Lot 17 on a plan of lots drawn for the Ballard Land Company by Buttrick & Pratt, recorded in Book 1637, Page 663 and bounded and described as follows:

BEGINNING at a stone monument set at the northwesterly corner of the herein described premises on the southerly side of Canton Street, formerly known as Albion Avenue;

THENCE southerly by Lot 18, a distance of 100 feet to a stone monument;

THENCE easterly by Lot 35 and Lot 36, a distance of 50 feet to a stone monument;

THENCE northerly by Lot 18, a distance of 100 feet to a stone monument on the southerly side of said Canton Street, formerly Albion Avenue;

THENCE westerly by said Canton Street 50 feet to the point of beginning.

TITLE REF Book 8344 Page 333-334

19 Canton Street, Worcester, MA

ATTEST: WORC. Anthony J. Vigilotti, Register

147351

27135PG365

30
20**AFTER RECORDING RETURN TO:**

Name:

Address:

THIS INSTRUMENT PREPARED BY:

Name: Glenda Wing

Title: Customer Service Technician

FEDERAL DEPOSIT INSURANCE CORP.

1910 Pacific Ave., Dallas, Texas 75201

SATISFACTION OF MORTGAGE**DATE:** July 19, 2002**ORIGINAL NOTE AMOUNT ("Note"):** \$112,000.00**MORTGAGE:****Mortgagor:** E. Perry King and Terry A. King**Mortgagee:** Home National Bank of Milford**Date of Mortgage:** January 27, 1988**Mortgage Securing the Note ("Mortgage") is described in the following document(s), recorded in:**

Book 11097, Page 122, January 28, 1988, in the Registry of Deeds of Worcester County, Massachusetts.

Street Address for Improved Property:

19 Canton Street, Worcester, Massachusetts

OWNER AND HOLDER OF THE NOTE AND MORTGAGE ("FDIC"):

FEDERAL DEPOSIT INSURANCE CORPORATION, as Receiver for The Home National Bank of Milford, Milford, Massachusetts ("FDIC").

OWNER AND HOLDER'S MAILING ADDRESS: 1910 Pacific Avenue
Dallas, Texas 75201

For value received, the sufficiency of which is hereby acknowledged, Holder of the Note and Mortgage acknowledges satisfaction of said Note and Mortgage and surrenders the same as cancelled, and empowers, authorizes and directs the County Recorder to cancel same of record.

02 AUG - 1 PM 12:40

Filed
Mason
D

This Satisfaction of Mortgage is made without recourse, representation or warranty, express or implied upon or by the FDIC.

Where context requires, singular nouns and pronouns include the plural.

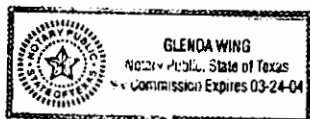
Federal Deposit Insurance Corporation,
in the capacity stated above

By James L. Faison
James L. Faison, Attorney-in-fact
Power of Attorney dated 09/01/01, recorded
In Book 25347, Page 226, in Worcester County,
Registry of Deeds

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

On July 19, 2002, before me, a Notary Public for the State of Texas, personally appeared James L. Faison, Attorney-in-fact, known to me to be the person whose name is subscribed to the within instrument as the Attorney-in-fact of the Federal Deposit Insurance Corporation, who acknowledged to me that he subscribed the name of Federal Deposit Insurance Corporation, as principal, and his own name as Attorney-in-fact; that the instrument was signed for the purposes contained therein on behalf of the said Federal Deposit Insurance Corporation by authority of the said Federal Deposit Insurance Corporation; and that the instrument is the free act and deed of Federal Deposit Insurance Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal on the date above written.



Glenda Wing
Name: Glenda Wing
Notary Public in and for the State of Texas

Revised by RMJ 8/9/00 (Massachusetts) Satisfaction of Mortgage

ATTEST: WORC. Anthony J. Vigliotti, Register

BK25347PG226

AFTER RECORDING RETURN TO:
Federal Deposit Insurance Corporation
ATTN: Ray Holubec/Carol Nugin
Customer Service/Inwood Warehouse
1910 Pacific Avenue
Dallas, TX 75201

13

190997

LIMITED POWER OF ATTORNEY

30/2002

KNOW ALL PERSONS BY THESE PRESENTS, that the FEDERAL DEPOSIT INSURANCE CORPORATION, a Corporation organized and existing under an Act of Congress, hereinafter called the "FDIC", acting in its Receivership capacity or separate Corporate capacity or as Manager of the FSLIC Resolution Fund has acquired and will acquire certain assets for liquidation and determined that it is necessary to appoint a representative to act on its behalf in connection with the maintenance and liquidation of said assets, hereinafter called the "Acquired Assets."

WHEREAS, FDIC desires to designate James L. Faison as attorney-in-fact for the limited purpose of facilitating the management and disposition of the Acquired Assets; and

WHEREAS, the undersigned has full authority to execute this instrument on behalf of the FDIC under Section C-17 of the Resolution of the FDIC's Board of Directors dated May 6, 1997, bearing Corporate Seal No. 063808.

NOW, THEREFORE, FDIC appoints James L. Faison as its true and lawful attorney-in-fact to act in its name, place, and stead, and hereby grants James L. Faison the authority, subject to the limitations herein, as follows:

01 NOV 28 AM 11:35

(1) Sign, seal and deliver as the act and deed of the FDIC any instrument in writing, and to do every other thing necessary and proper for the collection and recovery of any and all monies and properties of every kind and nature whatsoever for and on behalf of the FDIC and to give proper receipts and acquittance therefor in the name and on behalf of the FDIC;

(2) Release, discharge or assign any and all judgments, mortgages on real estate or personal property [including the release and discharge of the same of record in the office of any Prothonotary or Register of Deeds wherever located where payments on account of the same in redemption or otherwise may have been made by the debtor (s)], and to endorse receipt of such payment upon the records in any appropriate public office;

(3) Receive, collect and give all proper acquittance for any other sums of money owing to the FDIC for any Acquired Asset which the attorney-in-fact may sell or dispose of;

Limited Power of Attorney
James L. Faison
07/19/01

BK 25347PG227

(4) Execute any and all transfers and assignments as may be necessary to assign any securities or other choses in action;

(5) Sign, seal, acknowledge and deliver any and all agreements, easements, or conveyances as shall be deemed necessary or proper by the FDIC Attorney-in-Fact in the care and management of the Acquired Assets;

(6) Sign, seal, acknowledge and deliver indemnity agreements and surety bonds in the name of and on behalf of the FDIC;

(7) Sign receipts for the payment of all rents and profits due or to become due on the Acquired Assets;

(8) Execute, acknowledge and deliver deeds of real property in the name of the FDIC;

(9) Extend, postpone, release and satisfy or take such other action regarding any mortgage lien held in the name of the FDIC;

(10) Execute, acknowledge and deliver in the name of the FDIC a power of attorney wherever necessary or required by law to any attorney employed by the FDIC;

(11) Foreclose any mortgage or other lien on either real or personal property, wherever located;

(12) Do and perform every act necessary for the use, liquidation or collection of the Acquired Assets held in the name of the FDIC;

(13) Sign, seal, acknowledge and deliver any and all documents as may be necessary to settle any action(s) or claim(s) asserted against the FDIC, either in its Receivership or Corporate capacity, or as Manager of the FSLIC Resolution Fund.

Limited Power of Attorney
James L. Faison
07/19/01

BK25347P6228

This Power of Attorney shall be effective September 1, 2001, and shall continue in full force and effect through September 1, 2006 unless otherwise terminated by any official of the FDIC authorized to do so by the Board of Directors.

IN WITNESS WHEREOF, the FDIC, by its duly authorized officer empowered by appropriate resolution of its Board of Directors, has caused these presents to be subscribed in its name this 23 day of July, 2001.

FEDERAL DEPOSIT INSURANCE
CORPORATION

By: Sharon K. Allen
Name: Sharon K. Allen
Title: Supervisory Specialist
Dallas Field Operations

(CORPORATE SEAL)

ATTEST: Valerie J. Best
Name: VALERIE J. BEST
Title: ASSISTANT EXECUTIVE SECRETARY

069460

Signed, sealed and delivered
in the presence of:

Bonnie L. O'Hair
Witness

Sebastian J. Stone
Witness

Limited Power of Attorney
James L. Faison
07/19/01

BN 25347PG229

STATE OF TEXAS

COUNTY OF DALLAS

On this 23 day of July, 2001, before me, a Notary Public in and for the State of Texas appeared Sharon K. Allen, to me personally known, who, being by me first duly sworn did depose that she is the Supervisory Specialist/Customer Service, Dallas Field Operations Branch of the Federal Deposit Insurance Corporation (the "Corporation"), in whose name the foregoing Limited Power of Attorney was executed and subscribed, and the said Limited Power of Attorney was executed and subscribed on behalf of the said Corporation by due authority of the Corporation's Board of Directors, and the said Sharon K. Allen acknowledged the said Limited Power of Attorney to be the free act and deed of said Corporation.



Cassandra T. Knighton
 Notary Public
 My Commission expires: 12-09-01

UNITED STATES OF AMERICA

DISTRICT OF COLUMBIA

On this 24th day of August, 2001, before me, Notary Public in and for the District of Columbia, personally appeared Valerie J. Best, to me known personally, who being by me first duly sworn did depose that she is Assistant Executive Secretary, of the Federal Deposit Insurance Corporation, the Corporation in whose name the foregoing Power of Attorney has been subscribed, who further said that the seal affixed to the said Power of Attorney is the corporate seal of the said Federal Deposit Insurance Corporation, and that the said Power of Attorney was subscribed on behalf of the said Corporation and its seal thereto affixed by due authority of the Corporation's Board of Directors, and the said Valerie J. Best, acknowledge the said Power of Attorney to be the free act and deed of the said Corporation.

Val

Ann Gaten
 Notary Public, District of Columbia
 United States of America
 My commission expires: September 14, 2005

Limited Power of Attorney
 James L. Faison
 07/19/01

Page 4

ATTEST: WORC. Anthony J. Vigliotti, Register



Bk: 32728 Pg: 33 Doc: DEED
Page: 1 of 2 01/28/2004 04:01 PM

QUITCLAIM DEED

30901
RECORDED
1/28/2004
10:31 AM
OFFICE OF THE
CLERK OF THE
SUPREME COURT
JUDICIAL DEPT.
100 STATE ST.
WORCESTER, MA 01608

a/k/a Nader Gaval
WE, MANSOUR GAVAL and NADER GAVAL, TENANTS IN COMMON,
OF WORCESTER, WORCESTER COUNTY, MASSACHUSETTS

For consideration paid TWO HUNDRED FIVE THOUSAND AND 00/100--
(\$205,000.00) -----dollars

Grants to SANDRA KATZ, INDIVIDUALLY, OF WORCESTER
WORCESTER COUNTY, MASSACHUSETTS

With quitclaim covenants:

The land in Worcester, Worcester County, Massachusetts, in the southerly part thereof, in the section known as Irvington, on the southerly side of Canton Street, shown as Lot 17 on a plan of lots drawn for the Ballard Land Company by Buttrick & Pratt, recorded in Book 1537, Page 653, and bounded and described as follows:

BEGINNING at a stone monument set at the northwesterly corner of the herein described premises on the southerly side of Canton Street, formerly known as Albion Avenue;

THENCE Southerly by Lot 18, a distance of 100 feet to a stone monument;

THENCE Easterly by Lot 35 and 36, a distance of 50 feet to a stone monument;

THENCE Northerly by Lot 18, a distance of 100 feet to a stone monument on the southerly side of said Canton Street, formerly of Albion Avenue;

THENCE Westerly by said Canton Street, 50 feet to the point of beginning.

See Title reference recorded in Book 8344, Pages 333-334.

MASSACHUSETTS EXCISE TAX
Worcester District ROD #20 001
Date: 01/28/2004 04:01 PM
Ctrl# 014565 17830 Doc# 00014541
Fee: \$934.80 Cons: \$205,000.00

PROPERTY ADDRESS: 19 CANTON STREET, WORCESTER, MA

6

BEING the same premises conveyed to the grantors by deed recorded at the Worcester District Registry of Deeds in Book 27191, Page 112.

Witness our hands and seals this 19th day of December, 2003.

~~OF 19 CANTON STREET REALTY TRUST~~

By: _____

Mansour Gaval, ~~Trustee~~

Nader Gaval
Nader Gaval, ~~Trustee~~

~~XXXXXXXXXX~~

THE COMMONWEALTH OF MASSACHUSETTS

WORCESTER, ss.

DECEMBER 19, 2003

Then personally appeared the above-named MANSOUR GAVAL and NADER GAVAL, ~~TRUSTEES~~
~~OF 19 CANTON STREET REALTY TRUST~~ and acknowledged the foregoing instrument to be
their free act and deed, before me,

Alan Mason
Notary Public: Alan Mason

My commission expires: 3/21/08

ATTEST: WORC. Anthony J. Vigliotti, Register

1329 HIGHLAND AVENUE
NORWICH, MA 02492
(781) 449-4600
(781) 449-4630 FAX

CREED & FORMICA

C O U N S E L L O R S A T L A W

393-8087

JAMES F. CREED JR.
JEFFREY N. FORMICA
SARA D. TRUPE CLOHERTY
ALSO ADMITTED IN N.J.

July 8, 2004

07-14-04
A TRUE COPY ATTEST

DEPUTY SHERIFF

Sandra Katz
11 Birchwood Road
Worcester, MA 01609-1107

Terry A. King
7 Sovereign Heights
Sutton, MA 01590-2315

E. Perry King
10 Dodge Hill Road
Sutton, MA 01590

Re: 19 Canton Street
Worcester, MA
Mortgagors: E. Perry King
Terry A. King
File No.: 8578.0001
Loan Amount: \$112,000.00
Origination Date: January 27, 1988
Term: Twenty (20) Years
Recording: Worcester County Registry of Deeds
Book 11097, Page 122

Dear Title Holder/Mortgagors:

This office represents the current holder of the above-referenced mortgage, National Heritage Life Insurance Company, in Liquidation, (hereinafter, "NHL"). This letter will serve as your notice that the loan is in default, and has been for more than thirty (30) days, and that NHL has previously exercised its right to accelerate the promissory note and demand immediate payment in full of all amounts known to be outstanding. NHL, through NHL Trust, filed suit in the Superior Court Department, in and for Worcester County, Civil Action No.98-00897, and the above-referenced mortgagor's failed to answer or defend, and default judgment on the promissory entered as against them on October 16, 1998 in the amount of \$170,428.86, inclusive of costs and attorney's fees.

This file has been forwarded to this office to commence foreclosure proceedings under the mortgage which secures said note.

As of July 7, 2004, the amount outstanding on the judgment on the note is \$248,471.47, in accordance with the Statement of even date therewith, a copy of which is attached hereto as Exhibit "A". You have the right to dispute this debt, and bring a court action to assert the non-existence of the debt, or any other defense(s) you may have hereto.

July 7, 2004

Page 2

If you attempt to cure the default within thirty (30) days, you must pay the above amount within thirty (30) days of your receipt of this letter. In addition, interest will continue to accrue on the judgment at the rate of eight (8%) percent, and must be added to the amount specified above and paid at the time of payment.

Payment must be made by money order or cashier's check: personal checks will not be accepted. Checks must be made payable to National Heritage Life Insurance Company, in Liquidation, and sent to Creed & Formica, 1329 Highland Avenue, Needham, Massachusetts 02492.

Notice is hereby given in the event you do not satisfy this debt by the payment of the outstanding amount due within thirty (30) days, as provided herein, NHL will have no recourse but to initiate foreclosure proceedings against the Premises secured by its mortgage. This may result in the sale of the Premises at public auction.

You have the right to cure and discontinue any enforcement proceedings by paying all sums which are due under the judgment, and secured by the mortgage, and any attorney's fees, plus the cost of the proceedings which have been incurred to the date of such payment. Also, you have the right to bring court action to assert the non-existence of a debt, or any other defense of the borrower or judgment debtor to these claim.

Thank you for your attention to this matter.

Regards,


James F. Creed, Jr.

JFC/sar

**CIVIL ACTION
COVER SHEET**

Case 4:05-cv-40014-FDS Document 28-3

Filed 03/31/2006 Page 1 of 1

Superior Court Department

County: Worcester



PLAINTIFF(S)

Sandra S. Katz

DEFENDANT(S)

Donna Lee H. Williams, Insurance Commissioner
of the State of Delaware, as Receiver of Nat'l
Heritage Life Ins. Company in Liquidation,

ATTORNEY, FIRM NAME, ADDRESS AND TELEPHONE

Robert B. Gibbons, Esq. BBO#631049
Mirick, O'Connell
100 Front St., Worcester, MA 01608
Board of Bar Overseers number: (508) 791-8500

ATTORNEY (if known)

Origin code and track designation

Place an x in one box only:

- ☒ 1. F01 Original Complaint
☐ 2. F02 Removal to Sup.Ct. C.231,s.104
(Before trial) (F)
☐ 3. F03 Retransfer to Sup.Ct. C.231,s.102C (X)

- ☐ 4. F04 District Court Appeal c.231, s. 97 & 104 (After
trial) (X)
☐ 5. F05 Reactivated after rescript; relief from
judgment/Order (Mass.R.Civ.P. 60) (X)
☐ 6. E10 Summary Process Appeal (X)

TYPE OF ACTION AND TRACK DESIGNATION (See reverse side)

CODE NO.

TYPE OF ACTION (specify)

TRACK

IS THIS A JURY CASE?

D13

Declaratory Judgment

(F)

() Yes

(x) No

The following is a full, itemized and detailed statement of the facts on which plaintiff relies to determine money damages. For this form, disregard double or treble damage claims; indicate single damages only.

TORT CLAIMS

(Attach additional sheets as necessary)

A. Documented medical expenses to date:

- | | |
|--|-----------------|
| 1. Total hospital expenses | \$ |
| 2. Total Doctor expenses | \$ |
| 3. Total chiropractic expenses | \$ |
| 4. Total physical therapy expenses | \$ |
| 5. Total other expenses (describe) | \$ |
| Subtotal | \$ |

B. Documented lost wages and compensation to date

\$

C. Documented property damages to date

\$

D. Reasonably anticipated future medical and hospital expenses

\$

E. Reasonably anticipated lost wages

\$

F. Other documented items of damages (describe)

\$

G. Brief description of plaintiff's injury, including nature and extent of injury (describe)

\$

TOTAL \$

CONTRACT CLAIMS

(Attach additional sheets as necessary)

Provide a detailed description of claim(s):

This is a declaratory judgment action to determine and adjudicate the rights and liabilities of the parties regarding property located at 19 Canton Street, Worcester, Massachusetts.

TOTAL \$

PLEASE IDENTIFY, BY CASE NUMBER, NAME AND COUNTY, ANY RELATED ACTION PENDING IN THE SUPERIOR COURT DEPARTMENT

"I hereby certify that I have complied with the requirements of Rule 5 of the Supreme Judicial Court Uniform Rules on Dispute Resolution (SJC Rule 1:18) requiring that I provide my clients with information about court-connected dispute resolution services and discuss with them the advantages and disadvantages of the various methods."

Signature of Attorney of Record

Robert B. Gibbons

DATE: 10/26/09

COMMONWEALTH OF MASSACHUSETTS

WORCESTER SUPERIOR COURT

Case Summary

Civil Docket

WOCV2004-02116
Katz v Williams Commissioner

File Date	10/27/2004	Status	Disposed: transferred to other court (dtrans)
Status Date	01/28/2005	Session	A - Civil A (12 Worcester)
Origin	1	Case Type	D13 - Declaratory judgement (231A)
Lead Case		Track	A

Service	01/25/2005	Answer	03/26/2005	Rule 12/19/20	03/26/2005
Rule 15	01/20/2006	Discovery	12/16/2006	Rule 56	02/14/2007
Final PTC	06/14/2007	Disposition	10/27/2007	Jury Trial	No

PARTIES

Plaintiff

Sandra S Katz
 19 Canton Street
 Worcester, MA 01608
 Active 10/27/2004

Private Counsel 631049

Robert B Gibbons
 Mirick O'Connell DeMallie & Lougee
 100 Front Street
 Worcester, MA 01608-1477
 Phone: 508-791-8500
 Fax: 508-791-8502
 Active 10/27/2004 Notify

Private Counsel 656179

Kristin D Thompson
 Mirick O'Connell DeMallie & Lougee
 100 Front Street
 Worcester, MA 01608
 Phone: 508-791-8500
 Fax:
 Active 10/27/2004 Notify

Private Counsel 552138

James F Creed Jr
 Creed & Formica
 1329 Highland Avenue
 Needham, MA 02492
 Phone: 781-449-4600
 Fax: 781-449-4630
 Active 12/08/2004 Notify

Defendant

Lee H Williams Commissioner
 841 Silver Lake Boulevard
 Dover, DE 19901
 Commissioner of the State of Delaware
 Answered: 12/08/2004
 Answered 12/08/2004

Alias defendant name

National Heritage Life Insurance Company in
 Liquidation
 Active 10/27/2004

WOCV2004-02116
Katz v Williams Commissioner

Plaintiff/3rd party

Donna Lee H Williams Commissioner
of the State of Delaware as Receiver of National
Hertiage Life I
Active 12/27/2004

Defendant/3rd party

Federal Deposit Insurance Corporation
Served: 01/03/2005
Served (answr pending) 01/13/2005

Defendant/3rd party

United States of America
Served: 12/30/2004
Served (answr pending) 01/13/2005

Defendant/3rd party

E Perry King
Served: 01/03/2005
Served (answr pending) 01/03/2005

Defendant/3rd party

Alan Mason
Served: 01/03/2005
Served (answr pending) 01/03/2005

Defendant/3rd party

Alan Mason Legal Services PC
Served: 01/03/2005
Served (answr pending) 01/03/2005

WORCESTER SUPERIOR COURT

Case Summary
Civil Docket

WOCV2004-02116
Katz v Williams Commissioner

Defendant/3rd party

Alan Mason Legal Services Inc
Served: 01/03/2005
Served (answr pending) 01/03/2005

Defendant/3rd party

Alan Mason dba Alan Mason Legal Services PC
Served: 01/03/2005
Served (answr pending) 01/03/2005

Defendant/3rd party

Alan Mason dba Alan Mason Legal Services Inc
Served: 01/03/2005
Served (answr pending) 01/03/2005

Defendant/3rd party

Alan Mason Legal Services PC dba Alan Mason
Legal Services Inc
Served: 01/03/2005
Served (answr pending) 01/03/2005

Out-of-state attorney

Paul D Maggioni
New York Legal Services Office
20 Exchange Place 6th floor
New York, NY 10005
Phone: 917-320-2864
counsel for FDIC
Active 01/21/2005 Notify

ENTRIES

Date	Paper	Text
10/27/2004	1.0	Complaint & civil action cover sheet filed
10/27/2004		Origin 1, Type D13, Track A.
10/27/2004		Filing fee paid in the amount of \$240.00 including \$15.00 surcharge and \$20.00 security fee.(\$275.00)
11/19/2004	2.0	SERVICE RETURNED (summons): Donna H. Williams 11/3/04 (no s)
12/08/2004	3.0	ANSWER: Lee H Williams Commissioner(Defendant) & COUNTERCLAIM
12/22/2004	4.0	Plff. Sandra S. Katz answer to deft's counterclaim

WORCESTER SUPERIOR COURT

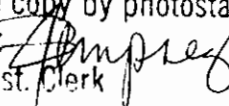
Case Summary
Civil Docket

WOCV2004-02116
Katz v Williams Commissioner

Date	Paper	Text
12/27/2004	5.0	Complaint of 3d-party Plf Lee H Williams Commissioner, National Heritage Life Insurance Company in Liquidation v Federal Deposit Insurance Corporation, United States of America, E Perry King, Alan Mason, Alan Mason Legal Services PC, Alan Mason Legal Services Inc along with filing fee in the amt of \$260.00 including security fee rec'd
01/03/2005	6.0	SERVICE RETURNED: E Perry King(Defendant/3rd party) Service made on 12/29/04 (last and usual place of abode)
01/03/2005	7.0	SERVICE RETURNED: Alan Mason(Defendant/3rd party) Service made on 12/29/04 (in hand)
01/03/2005	8.0	SERVICE RETURNED: Alan Mason Legal Services PC (Defendant/3rd party) Service made on 12/29/04 (in hand)
01/03/2005	9.0	SERVICE RETURNED: Alan Mason Legal Services Inc (Defendant/3rd party) Service made on 12/29/04 (in hand)
01/03/2005	10.0	SERVICE RETURNED: Alan Mason dba Alan Mason Legal Services PC(Defendant/3rd party) Service made on 12/29/04 (in hand)
01/03/2005	11.0	SERVICE RETURNED: Alan Mason dba Alan Mason Legal Services Inc(Defendant/3rd party) Service made on 12/29/04 (in hand)
01/03/2005	12.0	SERVICE RETURNED: Alan Mason Legal Services PC dba Alan Mason Legal Services Inc(Defendant/3rd party) Service made on 12/29/04 (in hand)
01/13/2005	13.0	SERVICE RETURNED: United States of America(Defendant/3rd party) 12/30/05 (agent person in charge)
01/13/2005	14.0	SERVICE RETURNED: Federal Deposit Insurance Corporation(Defendant/3rd party) 1/3/05 (s)
01/21/2005	15.0	Notice for Removal to the United States District Court filed by Federal Deposit Insurance Corporation
01/28/2005		Case REMOVED this date to US District Court of Massachusetts

EVENTS

A true copy by photostatic process

Attest: 
Asst. Clerk

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

Superior Court
Department of the Trial Court
of the Commonwealth
Civil Action

No. 04-2116-A

SANDRA S. KATZ,

Plaintiff (s)

v.

DONNA LEE H. WILLIAMS, INSURANCE COMMISSIONER OF
THE STATE OF DELAWARE, AS RECEIVER OF NATIONAL
HERITAGE LIFE INSURANCE COMPANY Defendant (s)
IN LIQUIDATION,


SUMMONS

* To the above-named Defendant:

You are hereby summoned and required to serve upon...Robert B. Gibbons...
Mirick, O'Connell....., plaintiff's attorney,
whose address is 100 Front Street, Worcester, MA 01608.....
an answer to the complaint which is herewith served upon you, within 20 days after
service of this summons upon you, exclusive of the day of service. If you fail to do so,
judgement by default will be taken against you for the relief demanded in the complaint.
You are also required to file your answer to the complaint in the SUPERIOR COURT
Department of the Trial Court at WORCESTER either before service upon plaintiff's
attorney or within a reasonable time thereafter.

Unless otherwise provided by Rule 13 (a), your answer must state as a counter-
claim any claim which you may have against the plaintiff which arises out of the
transaction of occurrence that is the subject matter of the plaintiff's claim or you will
thereafter be barred from making such claim in any other action.

Witness, SUZANNE V. DEL VECCHIO, Esquire, at Worcester, the...1st.....
day ofNovember.....in the year of our Lord two thousand and
....four.....


Clerk

NOTES:

1. This summons is issued pursuant to Rule 4 of the Massachusetts Rules of Civil Procedure.
2. When more than one defendant is involved, the names of all defendants should appear in the caption.
If a separate summons is used for each defendant, each should be addressed to that particular defendant.

PLEASE CIRCLE TYPE OF ACTION INVOLVED: TORT — MOTOR VEHICLE TORT —
CONTRACT — EQUITABLE RELIEF — CH. 93A — MEDICAL MALPRACTICE — OTHER.

* NOTICE TO DEFENDANT: You need not appear personally in court to answer the complaint, but
if you claim to have a defense, either you or your attorney must serve a copy of your written
answer within 20 days as specified herein AND also file the original in the Clerk's Office, Superior
Court, Room 21.

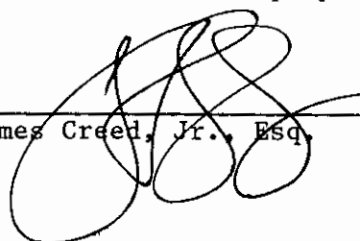
PROOF OF SERVICE OF PROCESS

I hereby certify and return that on November 3, 2004
James Creed, Jr., Esq. accepted
20..... I ~~served~~ a copy of the within summons, together with a copy of the complaint in this action,
on behalf of my client, Donna Lee H. Williams, Insurance Commissioner of the State**
~~upon the within named defendant~~, in the following manner (See Mass. R. Civ. P 4(d) (1-5):
..... by First Class Mail, postage prepaid.
.....

**of Delaware, as Receiver of National Heritage Life Insurance Company in Liquidation

Dated: 11/10, 2004

James Creed, Jr., Esq.



N.B. TO PROCESS SERVER:

PLEASE PLACE DATE YOU MAKE SERVICE ON DEFENDANT IN THIS BOX
ON THE ORIGINAL AND ON COPY SERVED ON DEFENDANT.

....., 20

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

Superior Court
Civil Action

No.

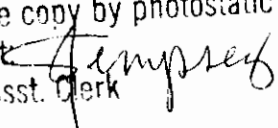
.....Plaintiff

v.

.....Defendant

SUMMONS

(Mass. R. Civ. P. 4)

A true copy by photostatic process
Attest 
Asst. Clerk

12/8/04

COMMONWEALTH OF MASSACHUSETTS

WORCESTER, ss.

SUPERIOR COURT DEPT.

CIVIL ACTION NO. 04-2116A

SANDRA S. KATZ,
Plaintiff,

v.

DONNA LEE H. WILLIAMS, INSURANCE
COMMISSIONER OF THE STATE OF DELAWARE
AS RECEIVER OF NATIONAL HERITAGE
LIFE INSURANCE COMPANY IN LIQUIDATION
Defendant.

DEC 8 - 2004
ATTEST: *[Signature]*

ANSWER AND COUNTERCLAIM

NOW COMES the Defendant, Donna Lee H. Williams, Insurance Commissioner of the State of Delaware As Receiver of National Heritage Life Insurance Company in Liquidation ("NHL"), and does hereby answer the averments as set forth in the numbered paragraphs of the Plaintiff's Complaint, as follows:

1. The Defendant has insufficient information, knowledge and belief to formulate an answer to the allegations of this paragraph.

2. Admit.

COUNT I

3. The Defendant realleges and reavers each and every allegation of Paragraphs 1 through 2, as if the same were set forth herein.

4. Admit.

5. Admit.

6. Admit, except to the extent that the Defendant states the date was on or about June 1, 1990.

7. Admit.

8. Admit.

3

9. Admit.
10. Admit.
11. The Defendant has insufficient information, knowledge and belief to formulate an answer to the allegations of this paragraph.
12. The Defendant has insufficient information, knowledge and belief to formulate an answer to the allegations of this paragraph.
13. The Defendant has insufficient information, knowledge and belief to formulate an answer to the allegations of this paragraph.
14. Denied.
15. Admit.
16. Admit.
17. Admit.

AFFIRMATIVE DEFENSES

First Affirmative Defense

The Plaintiff has failed to state a claim upon which relief can be granted. Mass.R.Civ.P. 12(b)(6).

Second Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of estoppel.

Third Affirmative Defense

The Plaintiff is barred from recovery as claimed under principles of laches.

Fourth Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of waiver.

Fifth Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of failure to satisfy a condition precedent.

Sixth Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of failure of consideration.

Seventh Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of Statute of Frauds.

Eighth Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of breach of contract.

Ninth Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of fraud.

Tenth Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of unclean hands.

Eleventh Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of accord and satisfaction.

Twelfth Affirmative Defense

The Plaintiff is barred from recovery as claimed for insufficiency of process and insufficiency of service of process. MRCP 12(b)(3) and (4).

Thirteenth Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of contributory negligence.

Fourteenth Affirmative Defense

The Plaintiff is barred from recovery as claimed for failing to join indispensable parties under Rule 19. MRCP 12(b)(7).

Fifteenth Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of illegality.

Sixteenth Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of release.

Seventeenth Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of res judicata.

Eighteenth Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of statute of limitations.

Nineteenth Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of violations of G.L. c. 93A.

Twentieth Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of ratification.

Twenty-first Affirmative Defense

The Plaintiff is barred from recovery as claimed under the principles of G.L. c.231, §6F.

Twenty-second Affirmative Defense

The Plaintiff cannot maintain an action in fraud based on a failure to comply with the provisions of MRCP 9(b).

WHEREFORE, the Defendant prays of this Honorable Court for the dismissal of the Plaintiff's complaint, that the Defendant be awarded its cost, including reasonable attorney's fees, and for such other and further relief as this Court deems just and proper.

COUNTERCLAIM

NOW COMES Donna Lee H. Williams, Insurance Commissioner of the State of Delaware As Receiver of National Heritage Life Insurance Company in Liquidation ("NHL"), and for its Counterclaim against Plaintiff states and alleges as follows:

1. The Plaintiff in Counterclaim is Donna Lee H. Williams, Insurance Commissioner of the State of Delaware As Receiver of National Heritage Life Insurance Company in Liquidation ("NHL").
2. The Defendant in Counterclaim is Sandra Katz, who resides at 11 Birchwood Road, Worcester, Massachusetts.
3. NHL is the owner of a Note originally granted by Perry King and Terry King to The Home National Bank of Milford.
4. On or about January 27, 1988, Perry King and Terry King executed and delivered a Promissory Note (hereinafter "Note") to The Home National Bank of Milford in the sum of \$112,000.00, dated January 27, 1988. In the Note, Perry King and Terry King promised to pay monthly principal and interest payments in the amount of \$1,137.07 to the Home National Bank of Milford or Noteholder for twenty years, with variable rate interest thereon.

5. The Note was secured by a mortgage on real estate located at 19 Canton Street, Worcester, County of Worcester, Massachusetts. Said mortgage was recorded in the Worcester District Registry of Deeds at Book 11097 and Page 122. (The Promissory Note and Mortgage for 19 Canton Street hereinafter referred to as "Canton Loan.") (Copies of the Note and Mortgage for 19 Canton Street are attached hereto as Exhibits "A" and "B", respectively.)
6. On March 29, 1994, the Federal Deposit Insurance Corporation, as assignee of the Receiver of the Home National Bank of Milford, Massachusetts, assigned the Canton Loan to South Star Management Company, Inc., a Florida corporation of Miami, Florida, effective as of December 17, 1993. (A copy of this assignment is attached hereto as Exhibit "C".) On March 18, 1994, South Star Management Company, Inc. assigned the Canton Loan to the National Housing Exchange, Inc., a North Carolina corporation, effective as of December 28, 1993. (A copy of this assignment is attached hereto as Exhibit "D".)
8. Thereafter, unencumbered ownership of the Canton Loan for 19 Canton Street, Worcester, Massachusetts was determined to be vested in NHL. Ownership, and rights to any and all proceeds therefrom, of the Canton Loan was recognized by the Superior Court Department for Suffolk County, in Civil Action No. 97-02013 B, which entered two default judgments thereby recognizing and giving effect to the following judgments in Massachusetts:
 - 1) The Chancery Court of the State of Delaware in and for New Castle County Liquidation and Injunction Order in Civil Action No. 13530, dated November 21, 1995;
 - 2) The United States District Court, Northern District of Illinois, Eastern Division's Amended Declaratory Judgment Order in No. 95 C 4243, dated April 12, 1996, nunc pro tunc, April 3, 1996;
 - 3) The United States District Court, Northern District of Illinois, Eastern Division's Revised Order Regarding Massachusetts Mortgages No. 95 C 4243, dated February 20, 1997;

- 4) The United States District Court, Northern District of Illinois, Eastern Division's Order Particularly Identifying the I-250 Assets No. 95 C 5253 dated February 7, 1997;
- 5) The United States District Court, Northern District of Illinois, Eastern Division's Revised Order Regarding Additional Massachusetts Mortgages No. 95 C 4243, dated April 15, 1997.

(Copies of the two Superior Court Judgments by Default in Civil Action 97-02013 B, are attached hereto as Exhibit "E" and "F", respectively, with copies of the foreign judgments attached thereto. Exhibit 2 to the February 20, 1997 Revised Order Regarding Massachusetts Mortgages from the U.S. District Court for the Northern District of Illinois, Eastern Division, specifically makes reference to 19 Canton Street, in Worcester, Massachusetts.)

9. The two Superior Court Default Judgments were recorded by NHL on or about September 15, 1997 and October 21, 1997 at the Worcester County Registry of Deeds.
10. Upon information and belief, Katz obtained title to the property at 19 Canton Street on or about January 28, 2004.
11. On July 8, 2004, NHL, through its counsel, gave notice of default and intention to foreclose to Katz.

COUNT I

12. The Defendant realleges and reavers each and every allegation of Paragraphs 1 through 11, as if the same were set forth herein.
13. Pursuant to G.L.c. 184, §4, Katz was provided notice of the default judgments, and therefore is subject to the terms of the Canton Loan.
14. Declaratory relief pursuant to G.L.c. 231A should issue in favor of NHL determining that the property at 19 Canton Street is subject to the outstanding mortgage held by NHL.

15. A dispute exists between Katz and NHL as to whether the current title holder, Katz, is subject to the mortgage held by NHL.
16. An actual case and existing bona fide controversy exists between NHL and Katz as to their legal relations in respect to the aforesaid mortgage, and the rights of the parties thereunder can be determined only by a declaratory judgment.

COUNT II

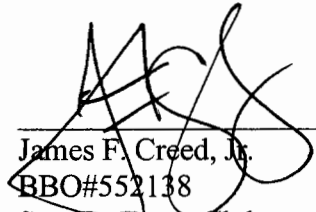
17. The Defendant realleges and reavers each and every allegation of Paragraphs 1 through 16, as if the same were set forth herein.
18. Katz purchased the property at 19 Canton Street at a reduced market value as admitted by the seller due to the outstanding encumbrances existing against the property, which encumbrances included the Canton Loan. See Exhibit G, copy of Complaint filed as Worcester Superior Court Docket No. WOCV2004-00762-C, *Gaval et al. v. Mason et al.*
19. In return for accepting and purchasing at a reduced value the property at 19 Canton Street with knowledge of the Canton Loan, Katz was able to receive a reduction in the sale price of the property. (See Paragraph 15, Exhibit G.)
20. Declaratory judgment should enter in favor of NHL as against Katz establishing that Katz had actual notice of the outstanding Canton Loan prior to purchasing the property at 19 Canton Street, and therefore the property at 19 Canton remains subject to the Canton Loan.

21. A dispute exists between Katz and NHL as to whether the current title holder, Katz, is subject to the mortgage held by NHL.
22. An actual case and existing bona fide controversy exists between NHL and Katz as to their legal relations in respect to the aforesaid mortgage, and the rights of the parties thereunder can be determined only by a declaratory judgment.

WHEREFORE, Plaintiff-in-Counterclaim prays of this Honorable Court to enter a declaratory judgment in favor of NHL as against Katz finding that the property is encumbered by the Canton Loan, award and assess actual damages in favor of NHL against Katz; assess and award NHL interest, costs, and reasonable attorney's fees as against Katz; and such other and further relief as this Court deems just and proper.

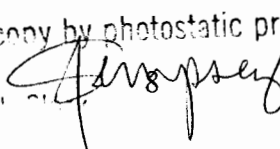
Respectfully submitted,
Donna Lee H. Williams,
Insurance Commissioner of
the State of Delaware As
Receiver of National Heritage
Life Insurance Company in

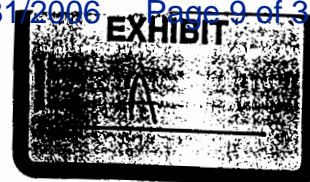
By her attorneys,



James F. Creed, Jr.
BBO#552138
Sara D. Prupe Cloherty
BBO#632528
CREED & FORMICA
1329 Highland Avenue
Needham, MA 02492
(781) 449-4600

Dated: 12/6/04

A true copy by photostatic process
Attest: 



10200

PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, jointly and severally, promise to pay to THE HOME NATIONAL BANK OF MILFORD, a banking association duly established under the laws of the United States of America, or order, at said Bank, or such other place as the holder of the Note may designate, the principal sum of ONE HUNDRED TWELVE THOUSAND AND 00/100 (\$112,000.00) DOLLARS, IN TWENTY (20) YEARS, with interest computed daily at a rate of TEN AND THREE QUARTERS (10.75%) PERCENT PER ANNUM on all unpaid balances of said principal sum, with monthly payments of principal and interest of ONE THOUSAND ONE HUNDRED THIRTY SEVEN AND 07/100 (\$1,137.07) DOLLARS made on the 27th day of each month and continuing on the 27th day of each month thereafter until all principal and interest is paid in full. Notwithstanding the foregoing sentence, the holder of this Note shall have the right to adjust the rate of interest payable hereunder one (1) YEAR from the date of this Note and every one (1) YEAR thereafter. In the event that an adjustment is to be made in the interest rate, the holder shall give the maker at least 15 days written notice prior to the effective date of the adjustment and shall include an explanation of the adjustment and the notice. Failure by the Bank to notify the maker of this adjustment does not preclude the Bank from making this adjustment. The adjustment shall be made to a rate of TWO (2%) PERCENT above the then current base loan rate of The First National Bank of Boston. Any adjustment shall be effected by an increase or decrease, as the case may be, in the periodic payment amounts commencing with the first payment due after the effective date of the change. A fee of \$187.00 shall be paid by the Borrower at the time of the loan closing.

Each payment shall be credited first to interest than due, and the remainder to principal. The mortgage given hereunder is also to secure any future advances, and it is agreed by the Borrower that any future advances are deemed to be given in contemplation of this loan.

If this note is prepaid within three (3) years from the date hereof, such prepayment shall be accompanied by a charge equal to a percentage of the then outstanding principal balance which percentage, to the extent permitted by law, shall be three (3%) percent for the period of one (1) year from the date hereof and shall decrease by one percent (1%) on each anniversary date of this Note to one (1%) percent in the third (3rd) year.

This Note is secured by a Mortgage and Security Agreement of the Borrower of even date herewith (the "Mortgage") covering certain real estate located at 19 Canton Street, Worcester, County of Worcester, Massachusetts, (the "Mortgaged Premises"), which, together with any other instrument securing this Note, being hereinafter collectively referred to as the

"Security Instruments". This Note is entitled to the benefits of the Security Instruments and specific reference is hereby made to such instruments for all purposes.

Upon occurrence of (which events shall be an Event of Default hereunder):

(i) the failure of Borrower to make any payment hereunder within thirty (30) days after the same is due or

(ii) an Event of Default as described and defined in any of the Security Instruments, or any other instrument evidencing any indebtedness of the Borrower to the Lender and the expiration of any period provided in such instrument to cure such default, then the holder hereof may declare the entire unpaid principal balance hereunder immediately due and payable without notice, demand or presentment and may exercise any of its rights under the Security Instruments. In the event that the Lender or any subsequent holder of this Note shall exercise or endeavor to exercise or endeavor to exercise any of its remedies hereunder or under the Security Instruments, the Borrower shall pay on demand all reasonable costs and expenses incurred in connection therewith, including, without limitation, reasonable attorney's fees and the Lender may take judgement for all such amounts in addition to all other sums due hereunder, Irrespective of the exercise or non-exercise of any of the aforesaid rights, if any payment of principal or interest hereunder is not paid in full within fifteen (15) days after the same is due, the Borrower shall pay to the Lender a late charge on such unpaid amount equal to five (5%) percent of such late payment.

The Borrower waives presentment for payment, protest and demand, and notice of protest, demand and/or dishonor and non-payment of this Note, notice of any Event of Default under the Security Instruments except as specifically provided therein, and all other notices or demands otherwise required by law that the Borrower may lawfully waive. The Borrower expressly agrees that this Note, or any payment hereunder, may be extended from time to time, without in any way affecting the liability of the Borrower. No unilateral consent or waiver by the Lender with respect to any action or failure to act which, without consent, would constitute a breach of any provision of this Note shall be valid and binding unless in writing and signed by the Lender.

The rights and obligations of the Borrower and all provisions hereof shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

All agreements between the Borrower and the Lender are hereby expressly limited so that in no contingency or event whatsoever, whether by reason of acceleration of maturity of the indebtedness evidenced hereby or otherwise, shall the amount paid or agreed to be paid to the Lender for the use, forbearance or detention of the indebtedness evidenced hereby exceed the maximum

Pay to the order of National Housing Exchange, Inc.,
 WITHOUT RECOURSE
 SOUTH STAR MANAGEMENT COMPANY, INC.
 also known as South Star Management Co., Inc.

By: [Signature]
 Jan R. Schneiderman, V.P.

permissible under applicable law. As used herein, the term "applicable law" shall mean the law in effect as of the date hereof, provided, however, that in the event there is a change in the law which results in a higher permissible rate of interest, then this Note shall be governed by such new law as of its effective date. In this regard, it is the intent of Borrower and Lender in the execution, delivery and acceptance of this Note to contract in strict compliance with the laws of the Commonwealth of Massachusetts from time to time in effect. If, from any circumstances whatsoever, fulfillment of any provision hereof or of any of the Security Instruments at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by law, than the obligation to be fulfilled shall automatically be reduced to the limit of such validity, and if from any circumstances the Lender should ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the principal balance evidenced hereby and not to the payment of interest. This provision shall control every other provision of all agreements between the Borrower and the Lender.

The Borrower shall remain primarily liable on this Note and the Security Instruments until full payment, unaffected by an alienation of the Mortgaged Premises, by an agreement or transaction between the Lender any subsequent owner or assignee of the Mortgaged Premises as to payment of principal, interest or other monies, by any forbearance or extension of time, guaranty or assumption by others, or by any other matter, as to all of which notice is hereby waived by the Borrower.

This instrument shall take effect as a sealed instrument on this 27th day of Jan. 1988, and shall be governed by the laws of the United States of America, and the Commonwealth of Massachusetts.

SIGNED IN THE PRESENCE OF:

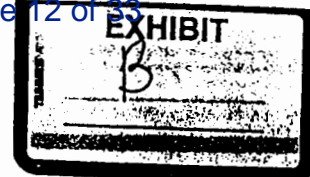
[Signature]
[Signature]

[Signature]
 E. Perry King
[Signature]
 Terry A. King

Pay to the order of South Star Management Co., Inc. Without Recourse.

FEDERAL DEPOSIT INSURANCE CORPORATION in its corporate capacity as Assignee of the Receiver of Home National Bank of Milford.
 By: [Signature]
 Kirby N. Schaefer
 Title: Attorney-in-fact

Pay to the order of Continental Stock Transfer & Trust Company,
 WITHOUT RECOURSE
 NATIONAL HOUSING EXCHANGE, INC.
 By: [Signature]
 Albert J. Sonnenblik, V.P.



MORTGAGE

E. PERRY KING AND TERRY A. KING (the "Mortgagor"), having a principal place of business at 188 Route 146 Sutton, Massachusetts, FOR CONSIDERATION PAID GRANT(S) TO THE HOME NATIONAL BANK OF MILFORD, a national banking association (the "Mortgagee"), whose address is 221 Main Street, Milford, Worcester County, Massachusetts 01757;

WITH MORTGAGE COVENANTS, to secure the payment of the indebtedness described in Paragraph 10 below (the "Obligation"), the property described in Exhibit A annexed hereto and by this reference made a part hereof (the "Property"):

Together with (a) insofar as the same are or can by agreement of the parties be made a part of the Property, all fixtures and appliances now or hereafter attached to, placed on, installed in or used in any way in connection with the Property and/or buildings and structures thereon, including without being limited to, portable or sectional buildings; screens, awnings, screen doors, storm and other detachable windows and doors; window shades and blinds; inlaid or attached floor coverings; boilers, tanks, furnaces, radiators, water heaters, elevators, fire and other alarm systems, cooling towers and compressors; heating, lighting, plumbing, gas, electric, ventilating, refrigerating, air conditioning, ice making, sprinkler and incinerating controls, apparatus and equipment; garbage and trash incinerators and receptacles, ovens, boilers, stoves, refrigerators, dishwashers, washing machines, driers, television antennas; fences and partitions; trees and hardy shrubs; all of which fixtures, including accessories and additions thereto and replacements thereof, are hereby declared and shall be deemed to be accessory to the freehold and a part of the Property as between the parties hereto, their successors and assigns and all persons claiming by, through, or under them, and shall constitute security for the Obligation and be subject to this Mortgage; (b) all improvements now or hereafter erected on the Property; and (c) all easements, rights, appurtenances, rents, water and water rights.

All of the foregoing being hereinafter sometimes referred to as the "mortgaged premises."

AND Mortgagor (a) herewith assigns to Mortgagee all future rents and profits from the mortgaged premises, provided, however, until default under the Obligation, this Mortgage, or the other instruments securing the Obligation or otherwise executed in connection therewith, Mortgagor may continue to collect and retain such rents and profits as they become due and payable; (b) shall perform and observe all the obligations imposed upon it under any lease of the mortgaged premises or any portion thereof, and shall not do, or permit to be done, anything to impair the security thereof; and, in addition to the obligations contained

19 CANTON ST., WORCESTER, MA.

Case 28-6 12:44 PM '06

elsewhere herein, if such leases shall include any residential units, Mortgagor shall conform to any law or regulation applicable thereto; and (c) agrees that if the Obligation shall become due and payable in accordance with the terms hereof, it will, upon demand of the Mortgagee, assign any and all leases of the mortgaged premises then existing to the Mortgagee, and agrees that after such assignments Mortgagee may modify and otherwise deal with such leases as if the owner of the mortgaged premises.

The Mortgagor, for the Mortgagor and the Mortgagor's successors and assigns, covenants and agrees in addition to the STATUTORY CONDITION:

1. To keep the buildings, structures, improvements and fixtures now or hereafter standing on the mortgaged premises insured against fire with extended coverage and/or such other perils as the Mortgagee shall reasonably request in such amounts and companies and in such forms as shall be satisfactory to the Mortgagee, all insurance to be for the benefit of and payable in case of loss to the Mortgagee and the Mortgagor as their interests may appear of record and to contain a provision that it shall not be cancelled or modified without at least ten (10) days prior written notice to the Mortgagee; to pay or cause to be paid when due all premiums for such insurance and, upon demand, to pay the same to the Mortgagee in the manner provided in Paragraph 2 with respect to taxes; that the Mortgagee is hereby authorized, at the expense of the Mortgagor, to obtain and/or renew any such insurance, and to do all necessary acts therefor in the name of the Mortgagor; to do no act, nor suffer any to be done, that shall cause, directly or indirectly, any such insurance to be void or vacated in whole or in part; and to deliver to the Mortgagee, at any time upon the Mortgagee's request, all insurance policies or memoranda thereof and to deliver to the Mortgagee new policies or memoranda thereof for any insurance about to expire at least ten (10) days prior to such expiration (hereby granting to the Mortgagee in the event of foreclosure, full authority, as attorney irrevocable of the Mortgagor, to cancel such insurance and retain the return premiums thereof and apply the same to the satisfaction of the Obligation or to transfer such insurance to any person claiming title to the mortgaged premises or any part thereof by virtue of foreclosure proceedings).

2. To pay or cause to be paid when due all taxes, charges, assessments and rates with respect to the mortgaged premises to whomsoever laid or assessed; and, upon demand, to deposit with Mortgagee on each day that periodic payments are required by the terms of the Obligation, in addition to the payments of principal and interest provided therein, a sum equal to such fraction of the real estate taxes and betterment assessments for each year as shall be estimated by Mortgagee to be sufficient to provide in the aggregate, a sum adequate to pay said taxes and betterment assessments as and when they become due and payable, and, in addition, to deposit with Mortgagee any balance necessary to pay

in full said taxes and betterment assessments prior to the date when such taxes or betterment assessments become due and payable; and to forward to the Mortgagee real estate tax bills as soon as the same have been received by Mortgagor.

3. That the Mortgagor will not further encumber the mortgaged premises; and that, in the event the ownership of or title to the mortgaged premises or any part thereof shall become vested in any person other than the Mortgagor without the prior written consent of the Mortgagee, then at any time thereafter, at the option of the Mortgagee, the Obligation shall become due and payable on demand, and the Mortgagee may, without notice to the Mortgagor, deal with any successor in interest with reference to the Mortgage and the Obligation in the same manner as with the Mortgagor without in any way vitiating or discharging the Mortgagor's liability hereunder or upon the Obligation. No sale of the mortgaged premises, no forbearance on the part of the Mortgagee, no extension (whether oral or in writing) of the time for the payment and satisfaction of the whole or any part of the Obligation, and no other indulgence given by the Mortgagee to any person other than the Mortgagor, shall operate to release or in any manner affect the original liability of the Mortgagor, notice of any thereof being waived. The proceeds of any award for damages in connection with any condemnation or other taking of the mortgaged premises or any part thereof, or for conveyance in lieu of condemnation are hereby assigned and shall be paid to the Mortgagee. If the mortgaged premises are abandoned by the Mortgagor or if the Mortgagor fails, after thirty (30) days written notice from the Mortgagee to negotiate a reasonable settlement with the condemnor of an offer to make an award, the Mortgagee is authorized to collect and apply the proceeds of such an award at Mortgagee's option either to the restoration or repair of the mortgaged premises or to the Obligation.

4. That Mortgagee is hereby authorized at its option to pay all costs and expenses which it in good faith determines to be required or desirable to effect compliance with the agreements of the Mortgagor set forth herein or in the Obligation or to protect or maintain the mortgaged premises or Mortgagee's interest therein, such authorization to be in addition to and not in limitation of the rights of Mortgagee under law and under other applicable provisions hereof; and any sum so expended shall be deemed to be a principal advance and shall be equally secured with and be a part of the Obligation.

5. That the Mortgagor is now in a solvent condition and no bankruptcy or insolvency proceedings are pending or contemplated by or against the Mortgagor; and that the Obligation, this Mortgage and the other instruments securing the Obligation or otherwise executed in connection therewith are valid and binding obligations enforceable in accordance with their respective terms and the execution and delivery thereof do not contravene any contract or agreement to which the Mortgagor is a party or by which the Mortgagor or any of the Mortgagor's properties may be

bound or any law, order, decree or regulation to which the Mortgagor is subject.

6. To keep the mortgaged premises in the same repair, order and condition as the same now are or may hereafter be put, reasonable wear and tear only excepted; not to permit or suffer any strip or waste of the mortgaged premises, nor any material change therein, nor any violation of any law or ordinance affecting the same or the use thereof; not to allow to lapse or be revoked any licenses or other governmental authorizations issued to Mortgagor or to any affiliate for the operation of any business on the mortgaged premises; to permit Mortgagee, upon reasonable notice to Mortgagor, to make entry upon and inspect the mortgaged premises; and Mortgagor shall, at Mortgagee's request at reasonable intervals, demonstrate compliance with this and other covenants of this Mortgage.

7. At the option of the Mortgagee, the Obligation shall become immediately due and payable, without notice or demand (a) upon the sale or transfer of any substantial portion of the mortgaged premises (and for purposes of the foregoing, both a transfer of a substantial portion of the beneficial ownership of the Mortgagor and a lease of any substantial portion of the mortgaged premises to or for the benefit of a single lessee for a term (including renewal or option periods) in excess of one (1) year, shall constitute such a sale or transfer giving the Mortgagee the right to accelerate hereunder); (b) in the event of a default in the performance or observance of the terms and provisions of the Obligation, this Mortgage and the other instruments securing the Obligation or otherwise executed in connection therewith; (c) in the event of a default under any other agreement of the Mortgagor in favor of the Mortgagee, whether now existing or hereafter arising; or (d) in the event of a default in the payment of the principal of or the interest on any other indebtedness of the Mortgagor continued for a period sufficient to permit the acceleration of the maturity of such indebtedness. Any forbearance by the Mortgagee in exercising any right or remedy hereunder or otherwise afforded by applicable law shall not be a waiver of or preclude the exercise of any such right or remedy. All remedies provided herein, in the Obligation and other instruments securing the Obligation shall be deemed to be cumulative remedies and may be exercised in any manner the Mortgagee elects.

8. That if any legal proceedings of any nature shall involve the Mortgagee's interest under this Mortgage, however such proceedings shall be commenced and whether or not such proceedings shall be completed, or if the Mortgagee shall enter into possession of the mortgaged premises, then the Mortgagee shall be entitled to collect (and the Mortgagor agrees to reimburse the Mortgagee on demand for) all costs and expenses, including attorneys' fees, incurred by the Mortgagee in any such proceeding or in the protection, care or management of the mortgaged premises; the Mortgagee shall be entitled to purchase the mortgaged premises at

any foreclosure sale; and that if surplus proceeds are realized from a foreclosure sale, the Mortgagee shall not be liable for any interest thereon pending distribution of such proceeds by the Mortgagee.

9. That, if the Mortgagee exercises the POWER OF SALE herein contained, then: the Mortgagee may sell the mortgaged premises in parcels; such sales may be held from time to time and said Power of Sale shall not be exhausted until all of the mortgaged premises shall have been sold, notwithstanding the Mortgagee's releasing, from time to time, certain such parcels which are a part or parts of the mortgaged premises; the Mortgagee may do all things and take any action, all in the name of the Mortgagor, which may be necessary to subdivide the mortgaged premises or any parcel included therein; and the Mortgagee may sell any or all of such parcels then subject to this Mortgage, notwithstanding that the proceeds of such sales may exceed the obligations secured by this Mortgage.

10. That this Mortgage is to secure the payment of the sum of \$ 112,000.00, together with interest thereon and all other charges, all as provided in a promissory note and/or guarantee of even date herewith given by Mortgagor to Mortgagee and also to secure the performance of all agreements and conditions herein contained and all other obligations now existing or hereafter arising of Mortgagor to Mortgagee, direct or indirect, absolute or contingent, as well as all other sums (with interest at the rate provided in said promissory note) advanced to or on behalf of Mortgagor by Mortgagee for any purpose, whether dependent or independent of this transaction, all of which shall be equally secured with and have the same priority as the original advance hereunder.

11. Other:

This Mortgage is upon the STATUTORY CONDITION, and upon the further condition that all agreements and covenants of the Mortgagor contained in the Obligation, in this Mortgage and in the other instruments securing the Obligation or otherwise executed in connection therewith, shall be kept and fully performed as therein provided, for any breach of which the Mortgagee shall have the STATUTORY POWER OF SALE.

IN WITNESS WHEREOF, the Mortgagor has executed this Mortgage under seal this 27th day of Jun, 1999

E. Perry King
E. PERRY KING

(Borrower)

Terry A. King
TERRY A. KING

(Borrower)

Commonwealth of Massachusetts

WORCESTER, SS.

Then personally appeared the above-named E. PERRY KING AND TERRY A. KING and acknowledged the foregoing instrument to be their free act and deed, before me.

Marjorie Protopop
Notary Public

My Commission Expires 6/10/00

SCHEDULE A

Worcester, Worcester County, Massachusetts, in the southerly part thereof, in the section known as Irvington, on the southerly side of Canton Street, shown as Lot 17 on a plan of lots drawn for the Ballard Land Company by Buttrick & Pratt, recorded in Book 1537, Page 653 and bounded and described as follows:

BEGINNING at a stone monument set at the northwesterly corner of the herein described premises on the southerly side of Canton Street, formerly known as Albion Avenue;

THENCE southerly by Lot 18, a distance of 100 feet to a stone monument;

THENCE easterly by Lot 35 and Lot 36, a distance of 50 feet to a stone monument;

THENCE northerly by Lot 16, a distance of 100 feet to a stone monument on the southerly side of said Canton Street, formerly Albion Avenue;

THENCE westerly by said Canton Street 50 feet to the point of beginning.

For our Title see Book 8344 Page 333 .

ATTEST: WORC., Anthony J. Vigliotti, Register

Record and Return to:
Blutrich, Herman & Miller
Two Park Avenue
New York, NY 10016
Attn: Michael Blutrich, Esq.

ASSIGNMENT OF MORTGAGE

FEDERAL DEPOSIT INSURANCE CORPORATION, in its corporate capacity as Assignee of the Receiver of The Home National Bank of Milford, Milford, Massachusetts, holder of a mortgage from E. Perry King and Terry A. King to The Home National Bank of Milford dated January 27, 1988 and recorded on January 28, 1988 in the Worcester District Registry of Deeds as Instrument No. 7662 in Book 11097 at Page 122, hereby assigns said mortgage and the Note and claim secured thereby to **SOUTH STAR MANAGEMENT COMPANY, INC.**, a Florida corporation also known as South Star Management Co., Inc., having a mailing address at 5005 Collins Avenue, Suite 1507, Miami, Florida 33140.

FEDERAL DEPOSIT INSURANCE CORPORATION was appointed in its corporate capacity as ^{Assignee of the}Receiver of The Home National Bank of Milford on June 1, 1990. See documents recorded in said Registry of Deeds in Book 12950 at Page 364.

For authority for the execution of this Assignment, see Power of Attorney recorded in said Registry of Deeds in Book 15369 at Page 54.

IN WITNESS WHEREOF, the **FEDERAL DEPOSIT INSURANCE CORPORATION** has caused these presents to be signed, acknowledged and delivered in its name and behalf by Kirby N. Schaefer, its duly appointed Attorney-in-Fact, this 29 of March, 1994, but effective as of December 17, 1993.

FEDERAL DEPOSIT INSURANCE CORPORATION in its corporate capacity as ^{Assignee of the}Receiver of The Home National Bank of Milford

By: Kirby N. Schaefer
Attorney-in-Fact

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, SS

Then personally appeared the above named Kirby N. Schaefer, Attorney-in-Fact, and acknowledged the foregoing instrument to the free act and deed of the **FEDERAL DEPOSIT INSURANCE CORPORATION**.

[Signature]
Notary Public

My commission expires:

7-1-99

Record and Return to:
Blutrich, Herman & Miller
Two Park Avenue
New York, NY 10016
Attn: Michael Blutrich, Esq.

ASSIGNMENT OF MORTGAGE

SOUTH STAR MANAGEMENT COMPANY, INC., a Florida corporation also known as South Star Management Co., Inc. ("Assignor"), having a mailing address at 5005 Collins Avenue, Suite 1507, Miami, Florida 33140, holder of a mortgage from E. Perry King and Terry A. King to The Home National Bank of Milford dated January 27, 1988 and recorded on January 28, 1988 in the Worcester District Registry of Deeds as Instrument No. 7662 in Book 11097 at Page 122, hereby assigns said mortgage and the Note and claim secured thereby to **NATIONAL HOUSING EXCHANGE, INC.**, a North Carolina corporation, having a mailing address at 620 South Elm Street, Suite 363, Greensboro, North Carolina 27606.

This Assignment is made without recourse to Assignor and without representation or warranty by Assignor, express or implied.

IN WITNESS WHEREOF, Assignor has caused these presents to be signed by its duly authorized officer on this 18th day of March, 1994, but effective as of December 28, 1993.

SOUTH STAR MANAGEMENT COMPANY, INC.
a/k/a South Star Management Co., Inc.

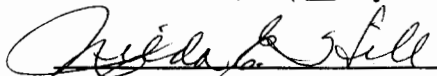
By: 

Jan R. Schneiderman, Vice President

STATE OF NEW YORK)
) SS.
COUNTY OF NEW YORK)

The undersigned, a notary public in and for the aforesaid County, does hereby acknowledge that on the day and year set forth below, personally appeared Jan R. Schneiderman, as Vice President of South Star Management Company, Inc., as specified above, and being duly sworn by and personally known to the undersigned to be the person who executed the foregoing instrument on behalf of said corporation, acknowledged to the undersigned that he voluntarily executed the same for the purposes therein stated as the free act and deed of said corporation.

WITNESS my hand and official seal, this 18 day of March, 1994.



Notary Public for the State of New York

[SEAL]

My Commission Expires:

NILDA E. HILL
Notary Public, State of New York
No. 88-178669 Bronx County
Cert. filed with New York County Clk.
Commission Expires November 30, 1995

1995

EXHIBIT

F

7

SUFFOLK, ss.

COMMONWEALTH OF MASSACHUSETTS

SUPERIOR COURT DEPARTMENT
CIVIL ACTION NO. 97-02013 B

DONNA LEE H. WILLIAMS, INSURANCE
COMMISSIONER OF THE STATE OF DELAWARE,
AS RECEIVER OF NATIONAL HERITAGE LIFE
INSURANCE COMPANY IN LIQUIDATION,
Plaintiff,

v.

NATIONAL HOUSING EXCHANGE, INC.,
APX MORTGAGE SERVICES, INC.,
RESOURCE ASSET MANAGEMENT, INC. and
SOUTH STAR MANAGEMENT CORPORATION,
Defendants.

JUDGMENT BY DEFAULT

This action came on for hearing before the Court, KING, J., presiding, upon the marking of Plaintiff, Donna Lee H. Williams, Insurance Commissioner of the State of Delaware as Receiver of National Heritage Life Insurance Company in Liquidation (hereinafter, "NHL") in the above entitled action, for a default judgment by the court, pursuant to Rule 55(b)(2) of Mass. R. Civ. P., and it appearing to the court that the Complaint in said action was filed on the 17th day of April, 1997, and that no answer or other defense has been filed by the said defendants, National Housing Exchange, Inc. and Resource Asset Management, Inc., and that default was entered on the 16th day of JUNE 1997, in the office of the clerk of this court, and that no proceedings have been taken by the said defendant since said default was entered, it is ordered and adjudged, that judgment by default enter as against the Defendants, National Housing Exchange, Inc. and Resource Asset Management, Inc. on Counts I, II and III of NHL's Complaint, in accordance with the Prayers of that Complaint, thereby recognizing and giving effect to the following judgments in Massachusetts:

JUDGMENT ENTERED ON DOCKET JUNE 16, 1997
PURSUANT TO THE PROVISIONS OF MASS. R. CIV. P. 55(a)
AND NOTICE SENT TO PARTIES PURSUANT TO THE PRO-
VISIONS OF MASS. R. CIV. P. 77(a) AS FOLLOWS:

Notice
sent
6/16/97
IPC
AF

Prayer 1: The Chancery Court of the State of Delaware in and for New Castle County's Liquidation and Injunction Order in Civil Action No. 13530, dated November 21, 1995, a copy of which is attached hereto as Exhibit "A"; and,

Prayer 2: The United States District Court, Northern District of Illinois, Eastern Division's Amended Declaratory Judgment Order in No. 95 C 4243, dated April 12, 1996, *nunc pro tunc*, April 3, 1996, a copy of which is attached hereto as Exhibit "B"; and,

Prayer 3: The United States District Court, Northern District of Illinois, Eastern Division's Revised Order Regarding Massachusetts Mortgages No. 95 C 4243, dated February 20, 1997, a copy of which is attached hereto as Exhibit "C".

SO ORDERED:

Catal King
Superior Court Department

, J.

Dated: June 16, 1997

I HEREBY ATTEST AND CERTIFY ON
December 15, 1997
THAT THE
FOREGOING DOCUMENT IS A FULL,
TRUE AND CORRECT COPY OF THE
ORIGINAL ON FILE IN MY OFFICE
AND IN MY LEGAL CUSTODY.

MICHAEL JOSEPH DONOVAN
CLERK/MAGISTRATE
SUFFOLK SUPERIOR COURT
DEPARTMENT OF THE JUDICIAL COURT

BY

Marcy C. L. L. L.
Post Clerk

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

ORIGINAL

42

IN AND FOR NEW CASTLE COUNTY

IN THE MATTER OF THE)
REHABILITATION OF NATIONAL) C.A. No. 13530
HERITAGE LIFE INSURANCE COMPANY)

FILED
BY [Signature]
DEPT. OF CLERK

LIQUIDATION AND INJUNCTION ORDER

WHEREAS, the Honorable Donna Lee H. Williams, the Insurance Commissioner for the State of Delaware, heretofore appointed as the Receiver of the National Heritage Life Insurance Company in Rehabilitation by Order dated May 25, 1994 (the "Receiver"), has filed with the Court a petition seeking a Liquidation and Injunction Order concerning National Heritage Life Insurance Company ("National Heritage") pursuant to Title 18 Del. C. §5901, et seq.;

WHEREAS, a hearing on the financial status of National Heritage and for interested parties to show cause why National Heritage should not be declared insolvent and ordered liquidated was held by the Court on 11/21/95; and

WHEREAS, the Receiver has submitted evidence that National Heritage is insolvent, in that as of September 30, 1995, National Heritage's liabilities exceeded its assets by approximately \$214 million and that as of the hearing date, the negative surplus was approximately \$214 million.

NOW THEREFORE, the Court finds and IT IS HEREBY ORDERED as follows:

1. National Heritage is insolvent as that term is defined in 18 Del. C. §5901.
2. Sufficient cause exists for the liquidation of the respondent, National Heritage, pursuant to 18 Del. C. §§ 5906 and 5910 and a Liquidation and Injunction Order is hereby entered against National Heritage.

3. The May 25, 1994 Rehabilitation and Injunction Order and the June 27, 1994 Supplemental Rehabilitation Order entered by this Court in this matter are hereby superseded, upon entry of this Order, and the Commissioner shall continue to serve as Receiver of National Heritage for the purpose of liquidation as set forth below.

4. The appointment of the Honorable Donna Lee H. Williams, Commissioner of Insurance of the State of Delaware, and her successors in office, as the Receiver of National Heritage is hereby continued and the Receiver is hereby directed to immediately take or maintain her exclusive possession and control of and to continue or be vested with all right, title and interest in, of or to the property of National Heritage, including, without limitation, all of National Heritage's assets, contracts, rights of action, funds recoverable under treaties and agreements of reinsurance heretofore entered into by National Heritage as the ceding insurer, books, records, bank accounts, certificates of deposit, collateral securing obligations to, or for the benefit of, National Heritage or any trustee, bailee or any agent acting for, or on behalf of, National Heritage (collectively, the "Trustees"), securities or other funds, and all real or personal property of any nature of National Heritage including, without limitation, furniture, fixtures and office supplies, wherever located, and including such property of National Heritage or collateral securing obligations to, or for the benefit of, National Heritage or any Trustee thereof that may be discovered hereafter, and all proceeds of or accessions to any of the foregoing, wherever located, in the possession, custody or control of National Heritage or any Trustee therefore (collectively, the "Assets"), and to liquidate the same pursuant to the provisions of Chapter 59 of the Delaware Insurance Code, and the Receiver is further authorized

to take such actions as the nature of this cause and interests of the policyholders, creditors and stockholders of National Heritage and the public may require.

5. The Receiver is hereby authorized to continue to deal with the Assets, business and affairs of National Heritage, including, without limitation, the right to sue for, defend for or continue suits already commenced by the Receiver for National Heritage, or for the benefit of National Heritage's policyholders, stockholders and creditors, in the courts and tribunals, agencies or arbitration panels in this State and other states in her name as the Commissioner of Insurance of the State of Delaware, or in the name of National Heritage.

6. The filing or recording of this Order or a certified copy hereof with the Clerk of this Court and with the recorder of deeds of the jurisdiction in which National Heritage's corporate and administration offices are located, or, in the case of real estate, with the recorder of deeds of the jurisdictions where the property is located, shall impart the same notice as would be imparted by a deed, bill of sale or other evidence of title duly filed or recorded with that recorder of deeds. Without limiting the foregoing, the filing of this Order with the Clerk of this Court also constitutes notice to all sureties and fidelity bondholders of National Heritage of all potential claims against National Heritage under such policies and shall constitute the perfection of a lien in favor of National Heritage under the Uniform Commercial Code or any like Federal or state law, regulation or order dealing with the priority of claims.

7. Except as otherwise indicated elsewhere in this Order, and upon notice provided by the Receiver, all agents and brokers, former officers, former directors, stockholders and all other persons or entities now or prospectively holding Assets of, or on behalf of, National

Heritage shall forthwith file an accounting of these Assets with the Receiver and shall within ten (10) days of the entry of this Order, turn those Assets over to the Receiver.

8. The Receiver may, in her discretion, appoint or continue the appointment of a consultant or other person or persons to serve as Special Deputy Receiver(s) to assist the Receiver in accomplishing the directive of this Order. The Special Deputy Receivers shall serve at the pleasure of the Receiver and, subject to the approval of the Receiver, shall be entitled to exercise all of the powers and authorities vested in the Receiver pursuant to this Order and applicable law.

9. The Receiver may employ or continue to employ and fix the compensation of such deputies, counsel, clerks, employees, accountants, actuaries, consultants, assistants and other personnel (collectively, the "Designees") as considered necessary, and all compensation and expenses of the Special Deputy Receiver(s) and the Designees and of taking possession of National Heritage and conducting this proceeding shall be paid out of the funds and assets of National Heritage as administrative expenses under Title 18 Del. C. §5913(f). Each and every Designee shall be deemed to have submitted to the jurisdiction of this Court for the resolution of any disputes between the Receiver and such Designee concerning such Designee's rights, obligations and compensation.

10. The Receiver, the Special Deputy Receivers and the Designees (collectively, the "Indemnitees") shall have no personal liability for their acts or omissions in connection with their duties during the rehabilitation and liquidation periods, provided that such acts or omissions are or were undertaken in good faith and without willful misconduct, gross negligence or criminal intent. All expenses, costs and attorney's fees incurred by the Indemnitees in

connection with any lawsuit brought against them in their representative capacities shall be subject to the approval of the Receiver and shall be exclusively paid out of the funds and assets of National Heritage. The Indemnitees shall not be deemed to be employees of the State of Delaware.

11. The Receiver's right, title and interest in and to all funds recoverable under treaties and agreements of reinsurance heretofore entered into by National Heritage as the ceding insurer shall continue, and all reinsurance companies involved with National Heritage are enjoined and restrained from making any settlements with any claimant or policyholder of National Heritage other than the Commissioner as Receiver. The amounts recoverable by the Receiver from any reinsurer of National Heritage shall not be reduced as a result of this liquidation proceeding or by reason of any partial payment or distribution on a reinsured policy, contract or claim, and each such reinsurer of National Heritage is hereby enjoined and restrained from terminating, cancelling, failing to extend or renew, or reducing or changing coverage under any reinsurance policy or contract with National Heritage, except for non-payment of premium. The Receiver may terminate or rescind any contract with a reinsurer or reinsurers that is contrary to the best interests of the estate in liquidation.

12. The Receiver is hereby authorized to transfer National Heritage's assets and liabilities, to the extent such liabilities are not covered by a state guaranty association, to an affiliate, subsidiary or trust for the overall benefit of National Heritage's policyholders, other creditors, and stockholder, subject to approval by this Court.

13. The Receiver may change to her own name the name of any of National Heritage's accounts, funds or other property or assets held with any bank, savings and loan association or other financial institution, and may withdraw such funds, accounts and other property or assets from such institutions or take any lesser action necessary for the proper conduct of this liquidation.

14. The Receiver may reject any executory contract to which National Heritage is a party that the Receiver may in her discretion determine is burdensome to National Heritage or is otherwise not in its best interest. Any party to a rejected contract may file a claim only for damages arising from such rejection in accordance with paragraph 18, below. All claims of policyholders enumerated in 18 Del. C. §5918(e) shall have priority over all non-policyholder claims arising from the rejection of executory contracts.

15. National Heritage, its former officers, former directors, stockholders, agents, servants and employees and all other persons having notice of these proceedings or of this Order are hereby prohibited from transacting any business of, or on behalf of, National Heritage or selling, transferring, destroying, wasting, encumbering or disposing of any of the Assets, without the prior written permission of the Receiver or until further Order of this Court.

16. All banks, brokerage houses, agents, reinsurers, or other companies or persons, either having in their possession Assets or possible Assets (including, without limitation, books or records of National Heritage), or having notice of these proceedings or of this Order, are hereby enjoined and restrained from disposing of, selling, wasting, encumbering, transferring or destroying any such Assets or possible Assets (including, without limitation, books or records of National Heritage). This prohibition includes, without limitation, Assets, possible Assets,

books or records pertaining to any business transaction between National Heritage and any of said parties. No actions concerning, involving, or relating to such Assets, possible Assets, books or records may be taken by any of the aforesaid persons or entities enumerated herein, without the prior written consent of the Receiver, or until further Order of this Court.

17. All former officers, former directors, stockholders, agents, servants and employees of National Heritage, and all other persons and companies having notice of these proceedings or of this Order, are hereby enjoined and restrained from instituting or further prosecuting any action at law or in equity or in other proceedings against National Heritage, the Commissioner as Receiver, the Special Deputy Receiver(s) or the Designees in connection with their duties as such, or from obtaining preferences, judgments, attachments or other like liens or encumbrances, or foreclosing upon or making of any levy against National Heritage or the Assets, or exercising any right adverse to the right of National Heritage to or in the Assets, or in any way interfering with the Receiver, the Special Deputy Receiver(s) or the Designees either in their possession and control of the Assets, books, and records of National Heritage or in the discharge of their duties hereunder.

18. All persons and companies are hereby enjoined and restrained from asserting any claim against the Commissioner as Receiver of National Heritage, or against the Special Deputy Receiver(s) or the Designees in connection with their duties as such, or against the Assets, except insofar as such claims are brought in the liquidation proceedings of National Heritage.

19. The Court hereby imposes a temporary moratorium on payment of cash values, surrenders, policy loans or any other right to withdraw funds held in conjunction with the policies or contracts of National Heritage, in addition to the Receiver's and the state guaranty associations' right to implement any contractual provision for deferral of cash payment or policy loans, for a period of 120 days from the date of this Order, provided that any state guaranty association may voluntarily choose to permit a full or partial payment of cash values, surrenders, policy loans or any other right to withdraw funds for claims covered by the applicable state guaranty association law.

20. Within a reasonable time after receipt of a claim in the liquidation proceedings of National Heritage, the Receiver shall give notice by mail to any and all persons interested in such claim of the Receiver's proposed report and recommendation to the Court regarding the allowance or denial (in whole or in part) of such claim.

21. Within sixty (60) days of the mailing of the proposed report and recommendation, the interested person being given notice of such proposed report and recommendation may file a written objection thereto with the New Castle County Register in Chancery, 1000 King Street, Wilmington, Delaware, 19801, and the Receiver.

22. Within a reasonable time after such sixty (60) days, there being no objection to the proposed report and recommendation, the Receiver shall file with the Court such report and recommendation.

23. No hearing will be held regarding the proposed report and recommendation in the absence of a written objection thereto by a person interested therein.

24. The Receiver shall provide semiannual reports on the financial condition of National Heritage and on the actions of the Receiver pursuant to this Order.

25. Hereafter the caption of this cause and all pleadings in this matter shall read as:

"IN THE MATTER OF THE LIQUIDATION OF
NATIONAL HERITAGE LIFE INSURANCE COMPANY"

26. This Court shall retain jurisdiction in this cause for the purpose of granting such other and further relief as this cause, the interests of the policyholders, creditors, stockholders of National Heritage and the public may require. The Receiver, or any interested party upon reasonable notice to the Receiver, may at any time make application for such other and further relief as either sees fit.

27. On or before June 30, 1996, the Receiver shall mail a Notice of Liquidation and Bar Date and a proof of claim form to all known claimants and creditors or persons or entities reasonably believed to be claimants or creditors of National Heritage, by first class mail, postage prepaid, and obtain proof of such mailing on United States Postal Form 3606.

28. ANY AND ALL CLAIMS AGAINST THE NATIONAL HERITAGE LIFE INSURANCE COMPANY IN LIQUIDATION NOT PRESENTED TO THE RECEIVER ON OR BEFORE JUNE 30, 1997 SHALL BE FOREVER BARRED FROM SHARING IN DISTRIBUTIONS OF THE ASSETS OF NATIONAL HERITAGE UNLESS THERE IS A SURPLUS AND NATIONAL HERITAGE IS DEEMED SOLVENT PURSUANT TO 18 DEL. C. §5928(a)(2).

SO ORDERED this 21 day of May, 1995.

CERTIFIED
AS A TRUE COPY:

ATTEST:

PRISCILLA B. NAMESTRAW
REGISTER IN CHANCERY

By Lisa A. Neal
Do Not

[Signature]
Chancellor

United States District Court

Chicago, Illinois

Illinois


MICHAEL W. DOBBINS, Clerk of the United States District Court for the

North Branch District of Illinois, do hereby attest and certify that the annexed
document is a true and correct copy of the original(s) on file
in my office and in my possession.

Attest my hand and seal this 31st day of March, 2006.
MICHAEL W. DOBBINS
Clerk

MICHAEL W. DOBBINS

Clerk

By: 
Deputy Clerk

Minute Order Form (rev. 12/90)

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge or Magistrate Judge	Elaine E. Bucklo	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	April 15, 1996
Case Title	Williams, et al. Vs. National Housing, et al.		

[In the following box (a) indicate the party filing the motion, e.g., plaintiff, defendant, 3rd-party plaintiff and (b) state briefly the nature of the motion being presented.]

MOTION:

DOCKET ENTRY:

(1)	<input type="checkbox"/> Filed motion of [use listing in "MOTION" box above]	Sent for Microfilming
(2)	<input type="checkbox"/> Brief in support of motion due _____	APR 16 1996
(3)	<input type="checkbox"/> Answer brief to motion due _____	Reply to answer brief due _____
(4)	<input type="checkbox"/> Ruling on _____	set for _____ at _____
(5)	<input type="checkbox"/> Hearing _____	_____
(6)	Status hearing <input type="checkbox"/> held <input type="checkbox"/> continued to _____	set for _____ re-set for _____ at _____
(7)	Pretrial conf. <input type="checkbox"/> held <input type="checkbox"/> continued to _____	set for _____ re-set for _____ at _____
(8)	Trial <input type="checkbox"/> set for _____	re-set for _____ at _____
(9)	<input type="checkbox"/> Bench Trial <input type="checkbox"/> Jury Trial <input type="checkbox"/> Hearing held and continued to _____	at _____
(10)	<input type="checkbox"/> This case is dismissed <input type="checkbox"/> without <input type="checkbox"/> with prejudice and without costs <input type="checkbox"/> by agreement <input type="checkbox"/> pursuant to _____	
	<input type="checkbox"/> FRCP 4(j) (failure to serve) <input type="checkbox"/> General Rule 21 (want of prosecution) <input type="checkbox"/> FRCP 41(a)(1) <input type="checkbox"/> FRCP 41(a)(2)	
(10)	<input checked="" type="checkbox"/> Other docket entry: Receiver's motion for an order confirming his authority to convey certain REO property to purchaser and his motion for an order confirming his authority with respect to Arapaho Car wash Loans are granted. Nominal defendants' motion to enlarge time until May 3, 1996 to respond to the counterclaim of RAM is granted. Accordingly, reply is extended to May 24, 1996. Commissioner shall set aside escrow to provide for Continental fees, if ordered by it. Enter Amended Declaratory judgment order nunc pro tunc April 3, 1996 on plaintiff's motion for summary judgment on Count I. RAM has until May 13, 1996 to respond to motions to dismiss count I of RAM's counterclaim by Commissioner and Continental. Ruling set for July 11, 1996	
at 8:45 A.M.	No notices required, advised in open court.	
<input type="checkbox"/>	No notices required.	
<input type="checkbox"/>	Notices mailed by judge's staff.	
<input type="checkbox"/>	Notified counsel by telephone.	
<input checked="" type="checkbox"/>	Docketing to mail notices.	
<input type="checkbox"/>	Mail AO 450 form.	
<input type="checkbox"/>	Copy to judge/magistrate Judge.	
<input type="checkbox"/>	courtroom deputy's initials.	
<input type="checkbox"/>	Date-time received in Central Clerk's Office.	
		number of notices
		date docketed
		docketing dpty. initials
		date mailed notice
		mailing dpty. initials
		Document #

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DONNA LEE H. WILLIAMS, INSURANCE)
COMMISSIONER OF THE STATE OF DELAWARE,)
AS RECEIVER OF NATIONAL HERITAGE LIFE)
INSURANCE COMPANY IN REHABILITATION,)
CONTINENTAL STOCK TRANSFER & TRUST)
COMPANY, MIDWEST INDEPENDENT BANK,)
and MIDWEST MORTGAGE SERVICING, L.L.C.,)

Plaintiffs,)

v.)

NATIONAL HOUSING EXCHANGE INC., APX)
MORTGAGE SERVICES, INC., and)
RESOURCE ASSET MANAGEMENT, INC.)

Defendants.)

Civil Action 95 C 4243
Hon. Elaine E. Buckle
Magistrate Judge
Rebecca R. Pallmeyer

AMENDED DECLARATORY JUDGMENT ORDER

This cause coming to be heard on the Motion for Summary Judgment on Count I, filed by the plaintiff Donna H. Lee Williams, Insurance Commissioner of the State of Delaware, as Receiver of National Heritage Life Insurance Company in Liquidation (the "Commissioner"), due notice having been given and the Court being fully advised in the premises,

IT IS HEREBY ORDERED, ADJUDGED, DECLARED AND DECREED:

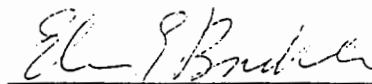
1. The Commissioner's Motion for Summary Judgment on Count I is granted;
2. All the rights of National Housing Exchange, Inc. under the Indenture and Servicing Agreement dated December 28, 1993 were terminated on November 7, 1994;

3. All the rights of APX Mortgage Services, Inc. under the Indenture and Servicing Agreement dated December 28, 1993 were terminated on November 7, 1994;
4. The rights of both National Housing Exchange, Inc. and APX Mortgage Services, Inc. with respect to the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pool of Mortgages, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993, are hereby terminated;
5. No approvals, agreements, consents, signatures or other action of any nature whatsoever of either or both of National Housing Exchange, Inc. and APX Mortgage Services, Inc. is required in connection with any action pursuant to the Indenture and Servicing Agreement dated December 28, 1993; provided however that nothing herein shall be deemed to relieve either or both of National Housing Exchange, Inc. and APX Mortgage Services, Inc. of their respective obligations under the Indenture and Servicing Agreement dated December 28, 1993;

6. The Commissioner is entitled to unencumbered ownership of the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pool of Mortgages, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993; and,
7. All right, title and interest in and to the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pools of Mortgage, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993 is vested in the National Heritage Life Insurance Company in Liquidation (or any affiliate designated by National Heritage Life Insurance Company in Liquidation with respect to any environmentally impaired Mortgaged Property).

ENTER ORDER:

DATED: APRIL 12, 1996,
nunc pro tunc APRIL 3, 1996



Elaine E. Bucklo
United States District Court
Judge

CERTIFIED COPY (R.D. 10/2/05)

United States Eastern District Court
Northern District of Illinois
Eastern Division

I, **MICHAEL W. DOBBENS**, Clerk of the Eastern Division of the Northern District of Illinois, do hereby attest and certify that the annexed document is a full, true, and correct copy of the original(s) on file in my office and in my legal custody.

IN TESTIMONY WHEREOF, I have hereunto
subscribed my name and affixed the seal
of the Eastern Division of the Northern District of Illinois.

MICHAEL W. DOBBENS

CLERK

By



Deputy Clerk

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge or Magistrate Judge	Elaine E. Bucklo	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	February 20, 1997
Case Title	Williams, et al. VS. National Housing, et al.		

[In the following box (a) indicate the party filing the motion, e.g., plaintiff, defendant, 3rd-party plaintiff, and (b) state briefly the nature of the motion being presented.]

MOTION:

DOCKET ENTRY:

Sent for Microfilming

(1)	<input type="checkbox"/>	Filed motion of [use listing in "MOTION" box above]
(2)	<input type="checkbox"/>	Brief in support of motion due _____
(3)	<input type="checkbox"/>	Answer brief to motion due _____ Reply to answer brief due _____
(4)	<input type="checkbox"/>	<input type="checkbox"/> Ruling on _____ set for _____ at _____ <input type="checkbox"/> Hearing
(5)	<input type="checkbox"/>	Status hearing <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for _____ at _____
(6)	<input type="checkbox"/>	Pretrial conf. <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for _____ at _____
(7)	<input type="checkbox"/>	Trial <input type="checkbox"/> Set for <input type="checkbox"/> re-set for _____ at _____
(8)	<input type="checkbox"/>	<input type="checkbox"/> Bench Trial <input type="checkbox"/> Jury Trial <input type="checkbox"/> Hearing held and continued to _____ at _____
(9)	<input type="checkbox"/>	This case is dismissed <input type="checkbox"/> without <input type="checkbox"/> with prejudice and without costs <input type="checkbox"/> by agreement <input type="checkbox"/> pursuant to <input type="checkbox"/> FRCP 4(j) (failure to serve) <input type="checkbox"/> General Rule 21 (want of prosecution) <input type="checkbox"/> FRCP 41(a)(1) <input type="checkbox"/> FRCP 41(a)(2)
(10)	<input checked="" type="checkbox"/>	[Other docket entry] The Commissioner's motion for the entry of a revised order regarding Massachusetts Mortgage is granted. Enter Revised Order. Plaintiff's motion for reassignment of case number 96 C 8477 based on relatedness is also granted.
(11)	<input checked="" type="checkbox"/>	[For further detail see <input type="checkbox"/> order on the reverse of <input checked="" type="checkbox"/> order attached to the original minute order form.]

No notices required, advised in open court.	RECEIVED FOR DOCKETING FEB 20 PM 5:35 ED-11	number of notices	Document # 325
No notices required.		date docketed	
Notices mailed by judge's staff.		docketing dpty. initials	
Notified counsel by telephone.		date mailed notice	
<input checked="" type="checkbox"/> Docketing to mail notices.		mailing dpty. initials	
Mail AO 450 form.	Date/time received in central Clerk's Office		
Copy to judge/magistrate Judge.			
<input checked="" type="checkbox"/> courtroom deputy's initials			

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DOCKETED

FEB 21 1997

DONNA LEE H. WILLIAMS, ET AL.

Plaintiffs,

v.

NATIONAL HOUSING EXCHANGE INC., APX
MORTGAGE SERVICES, INC., and
RESOURCE ASSET MANAGEMENT, INC.

Defendants.

) Civil Action 95 C 4243
) Hon. Elaine E. Bucklo
) Magistrate Judge
) Rebecca R. Pallmeyer
)
)
)

REVISED ORDER REGARDING MASSACHUSETTS MORTGAGES

This matter having come to be heard on the Commissioner's Motion for the Entry of a Revised Order Regarding Massachusetts Mortgages subject to the Amended Declaratory Judgment Order entered April 12, 1996, nunc pro tunc April 3, 1996, a copy of which is attached hereto as Exhibit 1, the Court hereby orders that National Heritage Life Insurance Company, in Liquidation ("NHL"), as to any claim of title and possession by or through National Housing Exchange Inc., APX Mortgage Services, Inc., Resource Asset Management, Inc., and South Star Management Corp. (collectively "the Parties"), has good, valid, and indefeasible ownership of any and all interests, free and clear, and free of any adverse equities and any other claims in and to the mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments, whether or not of record, with respect to the real property located in the Commonwealth of Massachusetts and listed in Exhibit 2, which is attached to this Order and incorporated herein (hereinafter such mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments shall be referenced as the "Mortgages"), together with:

- (1) any and all notes, loan agreements, credit agreements, guaranties, and any other evidence of indebtedness secured by the Mortgages;
- (2) any and all other security interests or claims pertaining to any indebtedness secured by the Mortgages, including but not limited to any and all (a) security agreements or chattel mortgages, (b) assignments or collateral assignments of rents, leases, and profits, (c) assignments or collateral assignments of accounts receivable, (d) assignments, collateral assignments, or pledges of stock, (e) assignments or collateral assignments of business licenses, permits, service contracts and equipment leases, (f) interests in any insurance proceeds or condemnation awards, (g)

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interests in any indemnification agreements, whether with respect to environmental matters or otherwise, (h) interests in any leases, ground leases, proprietary leases, or occupancy agreements, (i) interests in any UCC financing statements, (j) creditor's claims, and (k) if the subject Mortgage is in the process of being foreclosed, any proceeds being held in the registry of the court of competent jurisdiction or held by the court-appointed receiver; and

(3) any proceeds thereof.

It is further ordered that to the extent that any Mortgages have been foreclosed or repossessed, or title has otherwise reverted to Defendant prior to this Order, that, as between the Parties and NHL, NHL has good, valid and indefeasible fee simple title, free and clear, and free and clear of any claims in and to the real property that is encumbered by said Mortgages, together with all improvements thereon and easements and appurtenances thereto, and together with any and all proceeds concerning such real property held (1) in the registry of any court where such foreclosure action was pending, (2) by any court-appointed receiver for such real property, (3) by any property manager for such real property, and (4) by any other third party. (Hereinafter all Mortgages and related assets and real property and related assets shall be referenced as the "Assets".)

It is further ordered that, if necessary, in order to fulfill the terms and intent of this Order, NHL shall have the right (1) to unilaterally record any documents transferring or conveying any rights relating to the Assets and encompassed by this Order into the name of NHL, including but not limited to any assignment of any of the Mortgages or any UCC-3 financing statements, and (2) to unilaterally record any new financing statements to perfect NHL's security interests in the Assets.

It is further ordered that the Commissioner and NHL are not bound by the terms of any oral agreements affecting the Assets made by any predecessor in interest or former servicer of the Assets.

The recording of a certified copy of this Order in any jurisdiction where any Assets are located shall (1) convey title to such Assets to NHL, pursuant to the terms of this Order, and (2) re-establish any lost original instruments or documents pertaining to such Assets.

Dated: 2/20/97

ENTER: *Elaine E. Bucklo*

Hon. Elaine E. Bucklo
United States District Court Judge

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DONNA LEE H. WILLIAMS, INSURANCE)
COMMISSIONER OF THE STATE OF DELAWARE,)
AS RECEIVER OF NATIONAL HERITAGE LIFE)
INSURANCE COMPANY IN REHABILITATION,)
CONTINENTAL STOCK TRANSFER & TRUST)
COMPANY, MIDWEST INDEPENDENT BANK,)
and MIDWEST MORTGAGE SERVICING, L.L.C.,)

Plaintiffs

v.

NATIONAL HOUSING EXCHANGE INC., APX)
MORTGAGE SERVICES, INC., and)
RESOURCE ASSET MANAGEMENT, INC.)

Defendants.

Civil Action 95 C 4243
Hon. Elaine E. Bucklo
Magistrate Judge
Rebecca R. Pallmeyer

AMENDED DECLARATORY JUDGMENT ORDER

This cause coming to be heard on the Motion for Summary Judgment on Count I, filed by the plaintiff Donna H. Lee Williams, Insurance Commissioner of the State of Delaware, as Receiver of National Heritage Life Insurance Company in Liquidation (the "Commissioner"), due notice having been given and the Court being fully advised in the premises,

IT IS HEREBY ORDERED, ADJUDGED, DECLARED AND DECREED:

1. The Commissioner's Motion for Summary Judgment on Count I is granted;
2. All the rights of National Housing Exchange, Inc. under the Indenture and Servicing Agreement dated December 28, 1993 were terminated on November 7, 1994;

6. The Commissioner is entitled to unencumbered ownership of the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pool of Mortgages, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993; and,
7. All right, title and interest in and to the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pools of Mortgage, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993 is vested in the National Heritage Life Insurance Company in Liquidation (or any affiliate designated by National Heritage Life Insurance Company in Liquidation with respect to any environmentally impaired Mortgaged Property).

ENTER ORDER:

DATED: APRIL 12, 1996,
nunc pro tunc APRIL 3, 1996

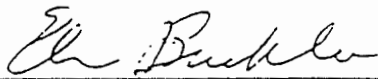

Elaine E. Bucklo
United States District Court
Judge

EXHIBIT 2

Schedule of XXX Bond Loans Secured by Real Estate

November 8, 1996

St.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
W		15	Duprey	81 Sterling Lane	Bradford	800162	9479	524
		16	Gilet	71 Princeton, Unit 108	North Chelmsford	33553	3538	179
	Barnstable	16	Moat	108 Howland Circle, #102	Brewster	32748	6308	112
	Bristol	14	Drumheiser	14 Spruce Street	New Bedford	22979	2228	90
	Essex	15	Daigle	200 Wilson Street, Units 2 & 4	Haverhill	364	10392	472
			Roberts	4 Central Avenue	Methuen	42312	67	333
		16	Quachiet/Moran	407 Forest Hill Road ick		11420	3441	200
			Moran	415 Lafayette St.	Salem	53	9067	169
	Hampshire	15	Duquette	72 Barrett Street, Unit 11G	Northampton	19366	(none)	(none)
	Hillsborough	16	Driscoll/Zuker	143 Baboosic Lake Rd.	Merrimack	802728	4591	115
	Middlesex	13	Elliot Group Inc.	38-40 Sarah Ave./771 Broadway/285-287 Dutton St.	Lowell	11569	B05490	278
		14	Gavriel	26-28 Alma	Lowell	20595	4507	61
		15	Babcock	54 Glenside Avenue	Billerica	12834	B04452	21
			Dabilis	861-871 Middlesex Road	Lowell	78706	3839	259
			Dabilis/Gavrie	42 Marshall St. 1	Lowell	13934	3956	338
			Duffy	97 Daniels Street	Malden	682632	998	129
			Grant	810B Lawrence Street	Lowell	36079	3556	12
			Oehley	11 Pike Street	Hopkinton	(none)	15414	174
			Torres/Ramos	29-31 Queen St.	Lowell	35435	5005	150
		16	Arbetter	78 Captian James Circle, #028	Ashland	(none)	18215	80
			Hague	40 Aberdeen Street	Lowell	18871	3436	109
			Hipp	65 Indian Brook Road	Ashland	471	20144	600
			Landry	361 Aiken Avenue, No. 4	Lowell	44158	B05373	195
			McInnis	369 Aiken Avenue, Unit 16	Lowell	34328	B04998	134
		17	Games	6 Ledgewood Way, Unit 16	Peabody	91	9605	576
			Keomouangchanh	204 Ludlam St.	Lowell	24133	B04533	29
	New Haven	16	O'Malley	208 West St., Unit 4A	Milford	(none)	11971	298

EXHIBIT 2

November 8, 1996

Schedule of XXX Bond Loans Secured by Real Estate

St.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
MA	Norfolk	15	Giordano	660 Franklin Street	Wrentham	2654	7474	518
			Magri	7-9 Pierce Street	Milton	44301	7047	487
			Padula	131, 133, & 135 Creek St.	Wrentham	492121	619	119
			Reed	691 Washington Street	Braintree	25552	889	695
	Plymouth	16	Brustin	133 Commander Shea Blvd., Unit 116	Quincy	13421	7436	151
			Feingold/Conno	45 Manomet Rd. lly	Plymouth	9742	10728	95
			McCann	50 Pinewood Lane	Duxbury	(none)	7044	85
			Melone	131 Chapel Street	Pembroke	76854	10509	342
			Pasquariello	3-12 School Street	Marshfield	65134	6922	146
				3-7 School Street	Marshfield	65137	6922	162
Suffolk		14	Pal	461 Washington Street, Unit 406	Boston	143	13522	64
			Deo	56 Round Hill Street	Jamaica Plain	290	15403	128
		15	Glades Realty Trust	36-38 Grove St.	Chelsea	213	13630	336
			Lewis	135-137 Sydney Street	Boston	(none)	13669	175
			Mannix	29 Vinton Street	South Boston	(none)	16204	136
		16	Cheletsky	8 Kittredge Street, No. 5K	Rosendale	239	16232	60
			Glades Realty Trust	30-34 Grove St.	Chelsea	213	13630	336
			Grubbs	20 American Legion Highway	Boston	33106	14939	1
			Krell	1607 Commonwealth, Unit 30	Boston	41645 - C114-62	(none)	(none)
			Mullings	40 Kingsdale Street	Dorchester	457044	(none)	(none)
		17	Brown	18 Burnett Road, #18	Revere	173	14918	220
Worcester		14	Reinold/Firell	135 East Main St., Unit C-8 i	Westborough	42917	8276	321
			Choquette	257 E. Main St.	East Douglas	8559	11900	127
		15	Griffin	5 Griswold Court	Uxbridge	112513	10821	265
			Humphrey's LTD	208 West Street, Unit 4A	Hopedale	(none)	10285	188
		16	King	6 Beckman St.	Worcester	121706	10883	243

EXHIBIT 2

November 4, 1996

Schedule of XXX Bond Loans Secured by Real Estate

St.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
1	Worcester	16	King	19 Canton Street	Worcester	7662	11097	122
		17	Alex	61A Fox Meadow Road, Unit 61A	Leominster	7686	1561	44
			Pasquariello	4 Oak St., #12/12 Williamsburg Ct., #28/3 & 12 Castle Green, #3	Shrewsbury	5730	9192	161
				12-4 Oak Street	Shrewsbury	5733	9192	171

CERTIFICATE OF SERVICE

I, William P. ZiegelmueLLer, an attorney, certify that
on February 14, 1997, I caused a copy of the foregoing MOTION FOR
A REVISED ORDER REGARDING MASSACHUSETTS MORTGAGES to be served by
U.S. Mail, postage prepaid:


Richard Waris
Pretzel & Stouffer Chartered
One South Wacker Drive
Suite 2500
Chicago, Illinois 60606

James Rolfes
Sachnoff & Weaver, Ltd.
30 S. Wacker Drive
Suite 2900
Chicago, Illinois 60606

David J. Krupp
Miller, Shakman, Hamilton,
Kurtzon & Schlifke
208 South LaSalle Street
Suite 1100
Chicago, Illinois 60604

Robert E. Davy, Jr.
180 N. LaSalle, Suite 2315
Chicago, Illinois 60611

APX Mortgage Services, Inc.
c/o Robert Gorski
P.O. Box 909
Lake Zurich, Illinois 60047-0909


William P. ZiegelmueLLer

SUFFOLK, ss.

COMMONWEALTH OF MASSACHUSETTS

SUPERIOR COURT DEPARTMENT

CIVIL ACTION NO. 97-02013 B

DONNA LEE H. WILLIAMS, INSURANCE
 COMMISSIONER OF THE STATE OF DELAWARE,
 AS RECEIVER OF NATIONAL HERITAGE LIFE
 INSURANCE COMPANY IN LIQUIDATION,
 Plaintiff,

v.

NATIONAL HOUSING EXCHANGE, INC.,
 APX MORTGAGE SERVICES, INC.,
 RESOURCE ASSET MANAGEMENT, INC. and
 SOUTH STAR MANAGEMENT CORPORATION,
 Defendants.

JUDGMENT BY DEFAULT

This action came on for hearing before the Court, KING, J., presiding, upon the marking of Plaintiff, Donna Lee H. Williams, Insurance Commissioner of the State of Delaware as Receiver of National Heritage Life Insurance Company in Liquidation (hereinafter, "NHL") in the above entitled action, for a default judgment by the court, pursuant to Rule 55(b)(2) of Mass. R. Civ. P., and it appearing to the court that the Amended Complaint in said action was filed on the 14'th day of July, 1997, and that no answer or other defense has been filed by the said Defendants, National Housing Exchange, Inc., Resource Asset Management, Inc., APX Mortgage Services, Inc., and/or South Star Management Co., Inc., and that default on those Counts of the Amended Complaint wherein default had not previously been entered, was entered on the 24 day of OCTOBER 1997, in the office of the clerk of this court, and that no proceedings have been taken by the said Defendants since said default was entered, it is ordered and adjudged, that judgment by default enter as against the Defendants, as follows: as against National Housing Exchange, Inc. and Resource Asset Management, Inc. on Counts IV and V of the Amended Complaint; and, as against APX Mortgage Services, Inc. and South Star Management Co., Inc. on Counts I, II, III, IV and V of the Amended Complaint, all in accordance with the Prayers of that Amended Complaint, thereby recognizing and giving effect to the following judgments in Massachusetts:

JUDGMENT ENTERED ON DOCKET October 6, 19 97
 PURSUANT TO THE PROVISIONS OF MASS. R. CIV. P. 58(a)
 AND NOTICE SENT TO PARTIES PURSUANT TO THE PRO-
 VISIONS OF MASS. R. CIV. P. 77(d) AS FOLLOWS:

JIC
 JLT
 0/5/97
 J.F.C. Jr.

AS TO APX AND SOUTH STAR:

Prayer 1: The Chancery Court of the State of Delaware in and for New Castle County's Liquidation and Injunction Order in Civil Action No. 13530, dated November 21, 1995, a copy of which is attached hereto as Exhibit "A"; and,

Prayer 2: The United States District Court, Northern District of Illinois, Eastern Division's Amended Declaratory Judgment Order in No. 95 C 4243, dated April 12, 1996, *nunc pro tunc*, April 3, 1996, a copy of which is attached hereto as Exhibit "B"; and,

Prayer 3: The United States District Court, Northern District of Illinois, Eastern Division's Revised Order Regarding Massachusetts Mortgages No. 95 C 4243, dated February 20, 1997, a copy of which is attached hereto as Exhibit "C".

AS TO ALL DEFENDANTS:

Prayer 4: The United States District Court, Northern District of Illinois, Eastern Division's Order Particularly Identifying the I-250 Assets No. 95 C 4243 dated February 7, 1997, a copy of which is attached hereto as Exhibit "D".

Prayer 5: The United States District Court, Northern District of Illinois, Eastern Division's Revised Order Regarding Additional Massachusetts Mortgages No. 95 C 4243, dated April 15, 1997, a copy of which is attached hereto as Exhibit "E".

SO ORDERED:

Patricia King
Superior Court Department, J.

Dated: October 6, 1997

I HEREBY ATTEST AND CERTIFY ON
October 9, 1997, THAT THE
FOREGOING DOCUMENT IS A FULL,
TRUE AND CORRECT COPY OF THE
ORIGINAL ON FILE IN MY OFFICE,
AND IN MY LEGAL CUSTODY.

MICHAEL JOSEPH DONOVAN
CLERK/MAGISTRATE
SUFFOLK SUPERIOR CIVIL COURT
DEPARTMENT OF THE TRIAL COURT

BY: Michael J. Donovan

Bk : 10816



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE
 IN AND FOR NEW CASTLE COUNTY

IN THE MATTER OF THE)
 REHABILITATION OF NATIONAL) C.A. No. 13530
 HERITAGE LIFE INSURANCE COMPANY)

LIQUIDATION AND INJUNCTION ORDER

WHEREAS, the Honorable Donna Lee H. Williams, the Insurance Commissioner for the State of Delaware, heretofore appointed as the Receiver of the National Heritage Life Insurance Company in Rehabilitation by Order dated May 25, 1994 (the "Receiver"), has filed with the Court a petition seeking a Liquidation and Injunction Order concerning National Heritage Life Insurance Company ("National Heritage") pursuant to Title 18 Del. C. §5901, et seq.;

WHEREAS, a hearing on the financial status of National Heritage and for interested parties to show cause why National Heritage should not be declared insolvent and ordered liquidated was held by the Court on 11/21/95; and

WHEREAS, the Receiver has submitted evidence that National Heritage is insolvent, in that as of September 30, 1995, National Heritage's liabilities exceeded its assets by approximately \$214 million and that as of the hearing date, the negative surplus was approximately \$214 million.

NOW THEREFORE, the Court finds and IT IS HEREBY ORDERED as follows:

1. National Heritage is insolvent as that term is defined in 18 Del. C. §5901.
2. Sufficient cause exists for the liquidation of the respondent, National Heritage, pursuant to 18 Del. C. §§ 5906 and 5910 and a Liquidation and Injunction Order is hereby entered against National Heritage.

Ek : 10816-102 34843

3. The May 25, 1994 Rehabilitation and Injunction Order and the June 27, 1994 Supplemental Rehabilitation Order entered by this Court in this matter are hereby superseded, upon entry of this Order, and the Commissioner shall continue to serve as Receiver of National Heritage for the purpose of liquidation as set forth below.

4. The appointment of the Honorable Donna Lee H. Williams, Commissioner of Insurance of the State of Delaware, and her successors in office, as the Receiver of National Heritage is hereby continued and the Receiver is hereby directed to immediately take or maintain her exclusive possession and control of and to continue or be vested with all right, title and interest in, of or to the property of National Heritage, including, without limitation, all of National Heritage's assets, contracts, rights of action, funds recoverable under treaties and agreements of reinsurance heretofore entered into by National Heritage as the ceding insurer, books, records, bank accounts, certificates of deposit, collateral securing obligations to, or for the benefit of, National Heritage or any trustee, bailee or any agent acting for, or on behalf of, National Heritage (collectively, the "Trustees"), securities or other funds, and all real or personal property of any nature of National Heritage including, without limitation, furniture, fixtures and office supplies, wherever located, and including such property of National Heritage or collateral securing obligations to, or for the benefit of, National Heritage or any Trustee thereof that may be discovered hereafter, and all proceeds of or accessions to any of the foregoing, wherever located, in the possession, custody or control of National Heritage or any Trustee therefore (collectively, the "Assets"), and to liquidate the same pursuant to the provisions of Chapter 59 of the Delaware Insurance Code, and the Receiver is further authorized

Ek = 10816-103 34843

to take such actions as the nature of this cause and interests of the policyholders, creditors and stockholders of National Heritage and the public may require.

5. The Receiver is hereby authorized to continue to deal with the Assets, business and affairs of National Heritage, including, without limitation, the right to sue for, defend for or continue suits already commenced by the Receiver for National Heritage, or for the benefit of National Heritage's policyholders, stockholders and creditors, in the courts and tribunals, agencies or arbitration panels in this State and other states in her name as the Commissioner of Insurance of the State of Delaware, or in the name of National Heritage.

6. The filing or recording of this Order or a certified copy hereof with the Clerk of this Court and with the recorder of deeds of the jurisdiction in which National Heritage's corporate and administration offices are located, or, in the case of real estate, with the recorder of deeds of the jurisdictions where the property is located, shall impart the same notice as would be imparted by a deed, bill of sale or other evidence of title duly filed or recorded with that recorder of deeds. Without limiting the foregoing, the filing of this Order with the Clerk of this Court also constitutes notice to all sureties and fidelity bondholders of National Heritage of all ~~potential claims~~ against National Heritage under such policies and shall constitute the perfection of a lien in favor of National Heritage under the Uniform Commercial Code or any like Federal or state law, regulation or order dealing with the priority of claims.

7. Except as otherwise indicated elsewhere in this Order, and upon notice provided by the Receiver, all agents and brokers, former officers, former directors, stockholders and all other persons or entities now or prospectively holding Assets of, or on behalf of, National

Bk = 10816-104 34843

Heritage shall forthwith file an accounting of these Assets with the Receiver and shall within ten (10) days of the entry of this Order, turn those Assets over to the Receiver.

8. The Receiver may, in her discretion, appoint or continue the appointment of a consultant or other person or persons to serve as Special Deputy Receiver(s) to assist the Receiver in accomplishing the directive of this Order. The Special Deputy Receivers shall serve at the pleasure of the Receiver and, subject to the approval of the Receiver, shall be entitled to exercise all of the powers and authorities vested in the Receiver pursuant to this Order and applicable law.

9. The Receiver may employ or continue to employ and fix the compensation of such deputies, counsel, clerks, employees, accountants, actuaries, consultants, assistants and other personnel (collectively, the "Designees") as considered necessary, and all compensation and expenses of the Special Deputy Receiver(s) and the Designees and of taking possession of National Heritage and conducting this proceeding shall be paid out of the funds and assets of National Heritage as administrative expenses under Title 18 Del. C. §5913(f). Each and every Designee shall be deemed to have submitted to the jurisdiction of this Court for the resolution of any disputes between the Receiver and such Designee concerning such Designee's rights, obligations and compensation.

10. The Receiver, the Special Deputy Receivers and the Designees (collectively, the "Indemnitees") shall have no personal liability for their acts or omissions in connection with their duties during the rehabilitation and liquidation periods, provided that such acts or omissions are or were undertaken in good faith and without willful misconduct, gross negligence or criminal intent. All expenses, costs and attorney's fees incurred by the Indemnitees in

BK : 10816-105 34843

connection with any lawsuit brought against them in their representative capacities shall be subject to the approval of the Receiver and shall be exclusively paid out of the funds and assets of National Heritage. The Indemnitees shall not be deemed to be employees of the State of Delaware.

11. The Receiver's right, title and interest in and to all funds recoverable under treaties and agreements of reinsurance heretofore entered into by National Heritage as the ceding insurer shall continue, and all reinsurance companies involved with National Heritage are enjoined and restrained from making any settlements with any claimant or policyholder of National Heritage other than the Commissioner as Receiver. The amounts recoverable by the Receiver from any reinsurer of National Heritage shall not be reduced as a result of this liquidation proceeding or by reason of any partial payment or distribution on a reinsured policy, contract or claim, and each such reinsurer of National Heritage is hereby enjoined and restrained from terminating, cancelling, failing to extend or renew, or reducing or changing coverage under any reinsurance policy or contract with National Heritage, except for non-payment of premium. The Receiver may terminate or rescind any contract with a reinsurer or reinsurers that is contrary to the best interests of the estate in liquidation.

12. The Receiver is hereby authorized to transfer National Heritage's assets and liabilities, to the extent such liabilities are not covered by a state guaranty association, to an affiliate, subsidiary or trust for the overall benefit of National Heritage's policyholders, other creditors, and stockholder, subject to approval by this Court.

Ek = 10816-106 34843

13. The Receiver may change to her own name the name of any of National Heritage's accounts, funds or other property or assets held with any bank, savings and loan association or other financial institution, and may withdraw such funds, accounts and other property or assets from such institutions or take any lesser action necessary for the proper conduct of this liquidation.

14. The Receiver may reject any executory contract to which National Heritage is a party that the Receiver may in her discretion determine is burdensome to National Heritage or is otherwise not in its best interest. Any party to a rejected contract may file a claim only for damages arising from such rejection in accordance with paragraph 18, below. All claims of policyholders enumerated in 18 Del. C. §5918(e) shall have priority over all non-policyholder claims arising from the rejection of executory contracts.

15. National Heritage, its former officers, former directors, stockholders, agents, servants and employees and all other persons having notice of these proceedings or of this Order are hereby prohibited from transacting any business of, or on behalf of, National Heritage or selling, transferring, destroying, wasting, encumbering or disposing of any of the Assets, without the prior written permission of the Receiver or until further Order of this Court.

16. All banks, brokerage houses, agents, reinsurers, or other companies or persons, either having in their possession Assets or possible Assets (including, without limitation, books or records of National Heritage), or having notice of these proceedings or of this Order, are hereby enjoined and restrained from disposing of, selling, wasting, encumbering, transferring or destroying any such Assets or possible Assets (including, without limitation, books or records of National Heritage). This prohibition includes, without limitation, Assets, possible Assets,

Bk : 10816-107 34843

books or records pertaining to any business transaction between National Heritage and any of said parties. No actions concerning, involving, or relating to such Assets, possible Assets, books or records may be taken by any of the aforesaid persons or entities enumerated herein, without the prior written consent of the Receiver or until further Order of this Court.

17. All former officers, former directors, stockholders, agents, servants and employees of National Heritage, and all other persons and companies having notice of these proceedings or of this Order, are hereby enjoined and restrained from instituting or further prosecuting any action at law or in equity or in other proceedings against National Heritage, the Commissioner as Receiver, the Special Deputy Receiver(s) or the Designees in connection with their duties as such, or from obtaining preferences, judgments, attachments or other like liens or encumbrances, or foreclosing upon or making of any levy against National Heritage or the Assets, or exercising any right adverse to the right of National Heritage to or in the Assets, or in any way interfering with the Receiver, the Special Deputy Receiver(s) or the Designees either in their possession and control of the Assets, books, and records of National Heritage or in the discharge of their duties hereunder.

18. All persons and companies are hereby enjoined and restrained from asserting any claim against the Commissioner as Receiver of National Heritage, or against the Special Deputy Receiver(s) or the Designees in connection with their duties as such, or against the Assets, except insofar as such claims are brought in the liquidation proceedings of National Heritage.

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19. The Court hereby imposes a temporary moratorium on payment of cash values, surrenders, policy loans or any other right to withdraw funds held in conjunction with the policies or contracts of National Heritage, in addition to the Receiver's and the state guaranty associations' right to implement any contractual provision for deferral of cash payment or policy loans, for a period of 120 days from the date of this Order, provided that any state guaranty association may voluntarily choose to permit a full or partial payment of cash values, surrenders, policy loans or any other right to withdraw funds for claims covered by the applicable state guaranty association law.

20. Within a reasonable time after receipt of a claim in the liquidation proceedings of National Heritage, the Receiver shall give notice by mail to any and all persons interested in such claim of the Receiver's proposed report and recommendation to the Court regarding the allowance or denial (in whole or in part) of such claim.

21. Within sixty (60) days of the mailing of the proposed report and recommendation, the interested person being given notice of such proposed report and recommendation may file a written objection thereto with the New Castle County Register in Chancery, 1000 King Street, Wilmington, Delaware, 19801, and the Receiver.

22. Within a reasonable time after such sixty (60) days, there being no objection to the proposed report and recommendation, the Receiver shall file with the Court such report and recommendation.

23. No hearing will be held regarding the proposed report and recommendation in the absence of a written objection thereto by a person interested therein.

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24. The Receiver shall provide semiannual reports on the financial condition of National Heritage and on the actions of the Receiver pursuant to this Order.

25. Hereafter the caption of this cause and all pleadings in this matter shall read as:

"IN THE MATTER OF THE LIQUIDATION OF
NATIONAL HERITAGE LIFE INSURANCE COMPANY"

26. This Court shall retain jurisdiction in this cause for the purpose of granting such other and further relief as this cause, the interests of the policyholders, creditors, stockholders of National Heritage and the public may require. The Receiver, or any interested party upon reasonable notice to the Receiver, may at any time make application for such other and further relief as either sees fit.

27. On or before June 30, 1996, the Receiver shall mail a Notice of Liquidation and Bar Date and a proof of claim form to all known claimants and creditors or persons or entities reasonably believed to be claimants or creditors of National Heritage, by first class mail, postage prepaid, and obtain proof of such mailing on United States Postal Form 3606.

28. ANY AND ALL CLAIMS AGAINST THE NATIONAL HERITAGE LIFE INSURANCE COMPANY IN LIQUIDATION NOT PRESENTED TO THE RECEIVER ON OR BEFORE JUNE 30, 1997 SHALL BE FOREVER BARRED FROM SHARING IN DISTRIBUTIONS OF THE ASSETS OF NATIONAL HERITAGE UNLESS THERE IS A SURPLUS AND NATIONAL HERITAGE IS DEEMED SOLVENT PURSUANT TO 18 DEL. C. §5928(a)(2).

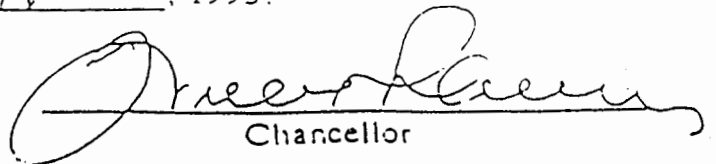
SO ORDERED this 21 day of May, 1995.

CERTIFIED
AS A TRUE COPY:

ACCUSED:

FRANK L. B. HANESBRAW
REGISTER IN U.S. COURT

By Lisa M. Neri


Chancellor

Bk : 10816-117 34843

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DONNA LEE H. WILLIAMS, INSURANCE)
COMMISSIONER OF THE STATE OF DELAWARE,)
AS RECEIVER OF NATIONAL HERITAGE LIFE)
INSURANCE COMPANY IN REHABILITATION,)
CONTINENTAL STOCK TRANSFER & TRUST)
COMPANY, MIDWEST INDEPENDENT BANK,)
and MIDWEST MORTGAGE SERVICING, L.L.C.,)

Plaintiffs,)

v.)

NATIONAL HOUSING EXCHANGE INC., APX)
MORTGAGE SERVICES, INC., and)
RESOURCE ASSET MANAGEMENT, INC.)

Defendants.)

Civil Action 95 C 4243
Hon. Elaine E. Bucklo
Magistrate Judge
Rebecca R. Pallmeyer

AMENDED DECLARATORY JUDGMENT ORDER

This cause coming to be heard on the Motion for Summary Judgment on Count I, filed by the plaintiff Donna H. Lee Williams, Insurance Commissioner of the State of Delaware, as Receiver of National Heritage Life Insurance Company in Liquidation (the "Commissioner"), due notice having been given and the Court being fully advised in the premises,

IT IS HEREBY ORDERED, ADJUDGED, DECLARED AND DECREED:

1. The Commissioner's Motion for Summary Judgment on Count I is granted;
2. All the rights of National Housing Exchange, Inc. under the Indenture and Servicing Agreement dated December 28, 1993 were terminated on November 7, 1994;

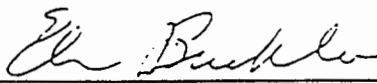
3. All the rights of APX Mortgage Services, Inc. under the Indenture and Servicing Agreement dated December 28, 1993 were terminated on November 7, 1994;
4. The rights of both National Housing Exchange, Inc. and APX Mortgage Services, Inc. with respect to the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pool of Mortgages, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993, are hereby terminated;
5. No approvals, agreements, consents, signatures or other action of any nature whatsoever of either or both of National Housing Exchange, Inc. and APX Mortgage Services, Inc. is required in connection with any action pursuant to the Indenture and Servicing Agreement dated December 28, 1993; provided however that nothing herein shall be deemed to relieve either or both of National Housing Exchange, Inc. and APX Mortgage Services, Inc. of their respective obligations under the Indenture and Servicing Agreement dated December 28, 1993;

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6. The Commissioner is entitled to unencumbered ownership of the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pool of Mortgages, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993; and,
7. All right, title and interest in and to the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pools of Mortgage, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993 is vested in the National Heritage Life Insurance Company in Liquidation (or any affiliate designated by National Heritage Life Insurance Company in Liquidation with respect to any environmentally impaired Mortgaged Property).

ENTER ORDER:

DATED: APRIL 12, 1996,
nunc pro tunc APRIL 3, 1996


Elaine E. Bucklo
United States District Court
Judge

BK : 10816-113 34843

EXHIBIT 2

Schedule of MORTGAGE Bond Loans Secured by Real Estate

Somerset 1, 1996

St.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
A		15	Duprey	81 Sterling Lane	Bradford	800162	3479	524
		16	Gilet	71 Princeton, Unit 108	North Chelmsford	33553	3538	177
	Barnstable	16	Most	108 Howland Circle, #102	Brewster	32748	6308	111
	Bristol	14	Drumheiser	14 Spruce Street	New Bedford	22979	2218	90
	Essex	15	Daigle	200 Wilson Street, Units 2 & 4	Haverhill	364	10390	471
			Roberts	4 Central Avenue	Methuen	42312	67	333
		16	Gauthier/Roderick	407 Forest Hill Road	Dunstable	79019	3841	233
			Moran	415 Lafayette St.	Salem	53	9067	169
	Hampshire	15	Duquette	72 Barrett Street, Unit 110	Northampton	19366	(none)	(none)
	Hillsborough	16	Driscoll/Duker	143 Baboosic Lake Rd.	Herrimack	802728	4591	115
	Middlesex	13	Elliot Group Inc.	38-40 Sarah Ave./771 Broadway/285-287 Dutton St.	Lovell	11569	805490	278
		14	Gavriel	26-28 Alma	Lovell	20595	4507	61
		15	Babcock	54 Glenside Avenue	Billerica	12834	804452	21
			Dabilis	861-871 Middlesex Road	Lovell	78706	3839	259
			Dabilis/Gavrie	42 Marshall St. 1	Lovell	13934	3956	338
			Duffy	97 Daniels Street	Malden	682632	998	129
			Grant	8108 Lawrence Street	Lovell	36079	3556	12
			Oehley	11 Pike Street	Hopkinton	(none)	15414	174
			Torres/Ramos	29-31 Queen St.	Lovell	35435	5005	150
		16	Arbetter	78 Captian James Circle, #078	Ashland	(none)	18215	80
			Eague	40 Aberdeen Street	Lovell	18871	3436	109
			Hipp	65 Indian Brook Road	Ashland	471	20144	600
			Sandry	361 Aiken Avenue, No. 4	Lovell	44158	805373	195
			McInnis	369 Aiken Avenue, Unit 16	Lovell	34328	804992	134
		17	Games	6 Ledgewood Way, Unit 16	Peabody	91	9605	576
			Keomouangchanh	204 Ludlam St.	Lovell	24133	804533	29
	New Haven	16	O'Malley	208 West St., Unit 4A	Milford	(none)	11971	298

EXHIBIT 2

List of MHE Bond Loans Secured by Real Estate

November 8, 1996

St.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
MA	Norfolk	15	Giordano	660 Franklin Street	Wrentham	2654	7474	518
			Magri	7-9 Pierce Street,	Milton	44301	7047	487
			Padula	131, 133, & 135 Creek St.	Wrentham	492121	615	113
			Reed	691 Washington Street	Braintree	25552	889	498
		16	Briston	133 Commander Shea Blvd., Unit 116	Quincy	10421	7438	181
Plymouth		15	Feingold/Condo	45 Manomet Rd.	Plymouth	9742	10728	85
		16	McCann	50 Pinewood Lane	Duxbury	(none)	7044	85
		17	Melone	131 Chapel Street	Pembroke	76854	10509	342
			Pasquariello	3-12 School Street	Marshfield	65134	6922	146
				3-7 School Street	Marshfield	65137	6922	162
Suffolk		14	Pal	461 Washington Street, Unit 406	Boston	143	13522	64
		15	Deo	56 Round Hill Street	Jamaica Plain	290	15403	128
			Glades Realty Trust	36-38 Grove St.	Chelsea	213	13610	336
			Lewis	135-137 Sydney Street	Boston	(none)	13669	175
			Mannix	29 Vinton Street	South Boston	(none)	16204	136
		16	Cheletzky	8 Kittredge Street, No. 5K	Rosendale	239	16232	60
			Glades Realty Trust	30-34 Grove St.	Chelsea	213	13610	336
			Grubbs	20 American Legion Highway	Boston	33106	14939	1
			Krell	1607 Commonwealth, Unit 30	Boston	41645 - C114-62	(none)	(none)
			Mullings	40 Kingsdale Street	Dorchester	457044	(none)	(none)
		17	Brown	18 Burnett Road, #18	Revere	173	14918	220
Worcester		14	Reinhold/Firell	135 East Main St., Unit C-8	Westborough	42917	8276	321
		15	Choquette	257 E. Main St.	East Douglas	8559	11900	127
			Griffin	5 Griswold Court	Oxbridge	112513	10821	265
		16	Humphrey's LTD	208 West Street, Unit 4A	Hopedale	(none)	10285	188
			King	6 Beckman St	Worcester	121706	10883	243

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EXHIBIT 1

November 1, 1996

Schedule of XXX Bond Loans Secured by Real Estate

County	Series	Mortgagor	Address	City	Document #	Book #	Page #
Worcester	16	King	19 Canton Street	Worcester	7662	12097	122
	17	Alex	61A Fox Meadow Road, Unit 61A	Leominster	7686	1561	44
		Pasquariello	4 Oak St., #12/12 Williamsburg Ct., #28/3 & 12 Castle Green, #3	Shrewsbury	5730	9192	161
			12-4 Oak Street	Shrewsbury	5733	9192	171

BARNSTABLE REGISTRY OF DEEDS

Bk: 10816

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge or Magistrate Judge	Elaine E. Bucklo	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	February 20, 1997
Case Title	Williams, et al. VS. National Housing, et al.		

[In the following box (a) indicate the party filing the motion, e.g., plaintiff, defendant, 3rd party plaintiff and (b), state briefly the nature of the motion being presented.]

MOTION:

DOCKET ENTRY:

Sent for Microfilming

(1) ☐ Filed motion of [use listing in "MOTION" box above]

(2) ☐ Brief in support of motion due _____

(3) ☐ Answer brief to motion due _____ Reply to answer brief due _____

(4) ☐ Ruling on _____ set for _____ at _____
☐ Hearing

(5) ☐ Status hearing ☐ held ☐ continued to ☐ set for ☐ re-set for _____ at _____

(6) ☐ Pretrial conf. ☐ held ☐ continued to ☐ set for ☐ re-set for _____ at _____

(7) ☐ Trial ☐ Set for ☐ re-set for _____ at _____

(8) ☐ Bench Trial ☐ Jury Trial ☐ Hearing held and continued to _____ at _____

(9) ☐ This case is dismissed ☐ without ☐ with prejudice and without costs ☐ by agreement ☐ pursuant to
☐ FRCP 4(j) (failure to serve) ☐ General Rule 21 (want of prosecution) ☐ FRCP 41(a)(1) ☐ FRCP 41(a)(2)

(10) ☐ [Other docket entry] The Commissioner's motion for the entry of a revised order regarding Massachusetts Mortgage is granted. Enter Revised Order. Plaintiff's motion for reassignment of case number 96 C 8477 based on relatedness is also granted.

(11) ☒ [For further detail see ☐ order on the reverse of ☒ order attached to the original minute order form.]

<input type="checkbox"/> No notices required, advised in open court.	RECEIVED FOR DOCKETING EC-11 97 FEB 20 PM 5:35	<input checked="" type="checkbox"/> No notices required	FEB 21 1997 FEB 21 1997	number of notices	Document # 325
<input type="checkbox"/> Notices mailed by judge's staff.		<input type="checkbox"/> Notified counsel by telephone.		date docketed	
<input checked="" type="checkbox"/> Docketing to mail notices.		<input type="checkbox"/> Mail AO 450 form.		docketing dply. initials	
<input type="checkbox"/> Copy to judge/magistrate Judge.		<input type="checkbox"/> Courtroom deputy's initials		date mailed notice	
				mailing	
Date/time received in central Clerk's Office					

Bk:10816-115 34843

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DOCKETED

FEB 21 1997

DONNA LEE H. WILLIAMS, ET AL.

Plaintiffs,

v.

NATIONAL HOUSING EXCHANGE INC., APX
MORTGAGE SERVICES, INC., and
RESOURCE ASSET MANAGEMENT, INC.

Defendants.

Civil Action 95 C 4243
Hon. Elaine E. Buckle
Magistrate Judge
Rebecca R. Pallmeyer

REVISED ORDER REGARDING MASSACHUSETTS MORTGAGES

This matter having come to be heard on the Commissioner's Motion for the Entry of a Revised Order Regarding Massachusetts Mortgages subject to the Amended Declaratory Judgment Order entered April 12, 1996, nunc pro tunc April 3, 1996, a copy of which is attached hereto as Exhibit 1, the Court hereby orders that National Heritage Life Insurance Company, in Liquidation ("NHL"), as to any claim of title and possession by or through National Housing Exchange Inc., APX Mortgage Services, Inc., Resource Asset Management, Inc., and South Star Management Corp. (collectively "the Parties"), has good, valid, and indefeasible ownership of any and all interests, free and clear, and free of any adverse equities and any other claims in and to the mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments, whether or not of record, with respect to the real property located in the Commonwealth of Massachusetts and listed in Exhibit 2, which is attached to this Order and incorporated herein (hereinafter such mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments shall be referenced as the "Mortgages"), together with:

- (1) any and all notes, loan agreements, credit agreements, guaranties, and any other evidence of indebtedness secured by the Mortgages;
- (2) any and all other security interests or claims pertaining to any indebtedness secured by the Mortgages, including but not limited to any and all (a) security agreements or chattel mortgages, (b) assignments or collateral assignments of rents, leases, and profits, (c) assignments or collateral assignments of accounts receivable, (d) assignments, collateral assignments, or pledges of stock, (e) assignments or collateral assignments of business licenses, permits, service contracts and equipment leases, (f) interests in any insurance proceeds or condemnation awards, (g)

Bk : 10816-116 34843

interests in any indemnification agreements, whether with respect to environmental matters or otherwise, (h) interests in any leases, ground leases, proprietary leases, or occupancy agreements, (i) interests in any UCC financing statements, (j) creditor's claims, and (k) if the subject Mortgage is in the process of being foreclosed, any proceeds being held in the registry of the court of competent jurisdiction or held by the court-appointed receiver; and

(3) any proceeds thereof.

It is further ordered that to the extent that any Mortgages have been foreclosed or repossessed, or title has otherwise reverted to Defendant prior to this Order, that, as between the Parties and NHL, NHL has good, valid and indefeasible fee simple title, free and clear, and free and clear of any claims in and to the real property that is encumbered by said Mortgages, together with all improvements thereon and easements and appurtenances thereto, and together with any and all proceeds concerning such real property held (1) in the registry of any court where such foreclosure action was pending, (2) by any court-appointed receiver for such real property, (3) by any property manager for such real property, and (4) by any other third party. (Hereinafter all Mortgages and related assets and real property and related assets shall be referenced as the "Assets".)

It is further ordered that, if necessary, in order to fulfill the terms and intent of this Order, NHL shall have the right (1) to unilaterally record any documents transferring or conveying any rights relating to the Assets and encompassed by this Order into the name of NHL, including but not limited to any assignment of any of the Mortgages or any UCC-3 financing statements, and (2) to unilaterally record any new financing statements to perfect NHL's security interests in the Assets.

It is further ordered that the Commissioner and NHL are not bound by the terms of any oral agreements affecting the Assets made by any predecessor in interest or former servicer of the Assets.

The recording of a certified copy of this Order in any jurisdiction where any Assets are located shall (1) convey title to such Assets to NHL, pursuant to the terms of this Order, and (2) re-establish any lost original instruments or documents pertaining to such Assets.

Dated: 2/20/97

ENTER: *Elaine E. Bucklo*

Hon. Elaine E. Bucklo
United States District Court Judge

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS



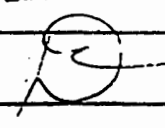
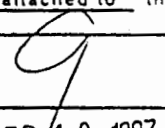
Name of Assigned Judge or Magistrate Judge	Elaine E. Bucklo	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	February 7, 1997
Case Title	Williams, et al. Vs. National Housing, et al.		

[In the following box (a) indicate the party filing the motion, e.g., plaintiff, defendant, 3rd-party plaintiff, and (b) state briefly the nature of the motion being presented.]

MOTION:

DOCKET ENTRY:

(1)	<input type="checkbox"/>	Filed motion of [use listing in "MOTION" box above]	Sent for Microfilming
(2)	<input type="checkbox"/>	Brief in support of motion due _____	FEB 10 1997
(3)	<input type="checkbox"/>	Answer brief to motion due _____	Reply to answer brief due _____
(4)	<input type="checkbox"/>	<input type="checkbox"/> Ruling on _____ set for <u>Filed on</u> _____	
(5)	<input type="checkbox"/>	<input type="checkbox"/> Hearing <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for _____ at _____	
(6)	<input type="checkbox"/>	Pretrial conf. <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for _____ at _____	
(7)	<input type="checkbox"/>	Trial <input type="checkbox"/> Set for <input type="checkbox"/> re-set for _____ at _____	
(8)	<input type="checkbox"/>	<input type="checkbox"/> Bench Trial <input type="checkbox"/> Jury Trial <input type="checkbox"/> Hearing held and continued to _____ at _____	
(9)	<input type="checkbox"/>	This case is dismissed <input type="checkbox"/> without <input type="checkbox"/> with prejudice and without costs <input type="checkbox"/> by agreement <input type="checkbox"/> pursuant to <input type="checkbox"/> FRCP 4(j) (failure to serve) <input type="checkbox"/> General Rule 21 (want of prosecution) <input type="checkbox"/> FRCP 41(a)(1) <input type="checkbox"/> FRCP 41(a)(2)	
(10)	<input checked="" type="checkbox"/>	[Other docket entry] Commissioner's motion for the entry of an order particularly identifying the I-250 assets is granted. Enter Order.	
(11)	<input checked="" type="checkbox"/>	[For further detail see <input type="checkbox"/> order on the reverse of <input checked="" type="checkbox"/> order attached to the original minute order form.]	

<input type="checkbox"/> No notices required, advised in open court.	<div style="text-align: center;">  courtroom deputy's </div>	<div style="text-align: center;"> Date/time received in central Clerk's Office  </div>	<div style="text-align: center;"> FEB 10 1997  </div>	<div style="text-align: center;"> FEB 10 1997  </div>	number of notices	Document # 320
<input type="checkbox"/> No notices required.					date docketed	
<input type="checkbox"/> Notices mailed by judge's staff.					docketing dpty. initials	
<input checked="" type="checkbox"/> Notified counsel by telephone.					date mailed notice	
<input checked="" type="checkbox"/> Docketing to mail notices.					mailing	
<input type="checkbox"/> Mail AO 450 form.						
<input type="checkbox"/> Copy to judge/magistrate Judge.						

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DONNA LEE H. WILLIAMS, ET AL.

Plaintiffs,

v.

NATIONAL HOUSING EXCHANGE INC., APX
MORTGAGE SERVICES, INC., and
RESOURCE ASSET MANAGEMENT, INC.

Defendants.

)
)
) Civil Action 95 C 4243
) Hon. Elaine E. Bucklo
) Magistrate Judge
) Rebecca R. Pallmeyer
)
)
)
)

DOCKETED
FEB 10 1997

ORDER PARTICULARLY IDENTIFYING THE I-250 ASSETS

This matter having come to be heard on the Commissioner's Motion for the Entry of an Order Particularly Identifying the I-250 Assets, the Court hereby orders that National Heritage Life Insurance Company, in Liquidation ("NHL") has good, valid, and indefeasible ownership of any and all interests, all free and clear of any defects of title and free and clear of any leases, liens, security interests, encumbrances, adverse equities and any other claims of any other person or entity, in and to the mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments, whether or not of record, with respect to the real property listed in Exhibit A, which is attached to this Order and incorporated herein (hereinafter such mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments shall be referenced as the "Mortgages"), together with:

- (1) any and all notes, loan agreements, credit agreements, guaranties, and any other evidence of indebtedness secured by the Mortgages;
- (2) any and all other security interests or claims pertaining to any indebtedness secured by the Mortgages, including but not limited to any and all (a) security agreements or chattel mortgages, (b) assignments or collateral assignments of rents, leases, and profits, (c) assignments or collateral assignments of accounts receivable, (d) assignments, collateral assignments, or pledges of stock, (e) assignments or collateral assignments of business licenses, permits, service contracts and equipment leases, (f) interests in any insurance proceeds or condemnation awards, (g) interests in any indemnification agreements, whether with respect to environmental matters or otherwise, (h) interests in any leases, ground leases, proprietary leases, or occupancy agreements, (i) interests in any

247

UCC financing statements, (j) creditor's claims, and (k) if the subject Mortgage is in the process of being foreclosed, any proceeds being held in the registry of the court of competent jurisdiction or held by the court-appointed receiver; and

(3) any proceeds thereof.

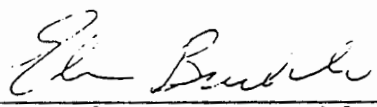
It is further ordered that to the extent that any Mortgages have been foreclosed, NHL has good, valid and indefeasible fee simple title, free and clear of any defects of title and free and clear of any claims of any other person or entity, in and to the real property that is encumbered by said Mortgages, together with all improvements thereon and easements and appurtenances thereto, and together with any and all proceeds concerning such real property held (1) in the registry of any court where such foreclosure action was pending, (2) by any court-appointed receiver for such real property, (3) by any property manager for such real property, and (4) by any other third party. (Hereinafter all Mortgages and related assets and real property and related assets shall be referenced as the "Assets".)

It is further ordered that, if necessary, in order to fulfill the terms and intent of this Order, NHL shall have the right (1) to unilaterally record any documents transferring or conveying any rights relating to the Assets and encompassed by this Order into the name of NHL, including but not limited to any assignment of any of the Mortgages or any UCC-3 financing statements, and (2) to unilaterally record any new financing statements to perfect NHL's security interests in the Assets.

It is further ordered that the Commissioner and NHL are not bound by the terms of any oral agreements affecting the Assets made by any predecessor in interest or former servicer of the Assets.

The recording of a certified copy of this Order in any jurisdiction where any Assets are located shall (1) convey title to such Assets to NHL, pursuant to the terms of this Order, and (2) re-establish any lost original instruments or documents pertaining to such Assets.

Dated: 2/7/97

ENTER: 

Hon. Elaine E. Bucklo

United States District Court Judge

Page 1

ARCH PHRASE: CLASSIF CONTAINS 1-250 AND NOT CLASSIF CONTAINS bond AND NOT CURSTAT

CONTAINS "paid off"

STATE	COUNTY	MORTGAGR	ADDR	CITY	DOCNO.	BK#	PAGENO.	SHARES	UCC#	COOP
	San Bernadino	Hobbs	1358 N. Idyllwild	Rialto	84-304157	(none)	(none)			
	Fairfield	Bacon	120 Huntington Tpk., Unit 303	Bridgeport	16789	2355	211			
	Lucas	Lenci	248 Willow St.	Waterbury	2145	2586	106			
	New Haven	Lenci	242-244 Willow St.	Waterbury	2143	2586	94			
	New Haven	Batam Associates	1070 New Haven, Unit 53	Milford	10648	1607	125			
	Orleans Parish	Davis	1371-1373 St. Bernard Avenue	New Orleans	482917	MO82414	136			
	St. Bernard Parish	Aries Enterprise	201, 203 & 205 South Pl.	Chalmette	(none)	142	196			
	Essex	Chimenti	F-1 Colonial Dr., Unit 6	Andover	(none)	2522	105			
	Gloucester	Afotey	520 Cascade Ct., Unit 520	Sewell	11348	MB 1528	87			
	New York	Eisenberg	66-33 98th Pl., Unit 3J	Rego Park	Stock #154			204	(none)	98th Place Owners
	New York	Poupon	5 Tudor City Pl., Unit 308	New York	Stock #A602			156	95PN18564	Windsor Owners
	New York	Verigan	5 Tudor City Pl., Unit 237	New York	Stock #A610			145	95PN18563	Windsor Owners
	New York	Jenkins	5 Tudor City Pl., Unit 437	New York	Stock #A580			149	95PN34567	Windsor Owners
	New York	Suh	5 Tudor City Pl., Unit 8-17	New York	Stock #A582			284	95PN18119	Windsor Owners
	New York	McKenna	5 Tudor City Pl., Unit 715	New York	Stock #B364			189	38PN67159	Tudor Owners
	Queens	Brodigan	5 Bedford Ave.	Rockaway Park	Stock #9471			175	151741	Breezy Point Cooperative, Inc.
	Suffolk	Gill	365 County Rd., Unit 39	Shinnecock Hills	CD 53814	12307	391			

SEARCH PHRASE:	CLASSIF	CONTAINS	1-250 AND NOT C	IF CONTAINS bond	AND NOT CURSTAT	CONTAINS "paid off"			
STATE	COUNTY	MORTGAGR	ADDR	CITY	DOCNO.	BK#	PAGE NO.	SHARES	UCC#
									COOP
H	Franklin	Messenger	6798 Lehman Rd.	Canal Winchester	(none)	3469	633		
H	Franklin	Singer	809-811 E. 2nd Ave.	Columbus	23694	11293	803		
H	Franklin	Mullen	333 S. Sylvan Ave.	Columbus	5710	11073	820		
H	Lucas	Hudson	2741 Stickney Ave.	Toledo	20062	83	912009		
H	Warren	Green	395 Morrow Rd.	South Lebanon	10101	607	80		
H	Philadelphia	Laren	213 S. 46th St.	Philadelphia	(none)	M0922	316		
X	Collin	Malone, II	Lot 1 in Block 6 of Bent Trail Addition 3	Dallas	43529	2894	384		
X	Lubbock	Patton	1205-1207 34th St.	Lubbock	11558	2794	32		
X	Nueces	Loas Tire & Auto Supply	4015 Ayers	Corpus Christi	596050	Roll 195	1705		
H	Loudoun	Ritenour	South-West corner of Church & State Sts.	Leesburg	11314	1043	1333		
H	Washington	Kassir/KHS Associates	920-924 Business Pk.	Chesapeake	22634	2324	697		

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge or Magistrate Judge	Elaine E. Bucklo	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	April 16, 1997
Case Title	Williams, et al. Vs. National Housing, et al.		

(In the following box (a) indicate the party filing the motion, e.g., plaintiff, defendant, 3rd-party plaintiff, and (b) state briefly the nature of the motion being presented.)

MOTION:

DOCKET ENTRY:

(1)	<input type="checkbox"/>	Filed motion of [use listing in "MOTION" box above]	Sent for Microfilming
(2)	<input type="checkbox"/>	Brief in support of motion due _____	
(3)	<input type="checkbox"/>	Answer brief to motion due _____	Reply to answer brief due APR 17 1997
(4)	<input type="checkbox"/>	<input type="checkbox"/> Ruling on _____ set for _____	Filed on APR 21 1997
(5)	<input type="checkbox"/>	Hearing <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for _____ at _____	
(6)	<input type="checkbox"/>	Pretrial conf. <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for _____ at _____	
(7)	<input type="checkbox"/>	Trial <input type="checkbox"/> Set for <input type="checkbox"/> re-set for _____ at _____	
(8)	<input type="checkbox"/>	<input type="checkbox"/> Bench Trial <input type="checkbox"/> Jury Trial <input type="checkbox"/> Hearing held and continued to _____ at _____	
(9)	<input type="checkbox"/>	This case is dismissed <input type="checkbox"/> without <input type="checkbox"/> with prejudice and without costs <input type="checkbox"/> by agreement <input type="checkbox"/> pursuant to <input type="checkbox"/> FRCP 4(j) (failure to serve) <input type="checkbox"/> General Rule 21 (want of prosecution) <input type="checkbox"/> FRCP 41(a)(1) <input type="checkbox"/> FRCP 41(a)(2)	
(10)	<input checked="" type="checkbox"/>	[Other docket entry] Enter order regarding additional Massachusetts mortgages.	
(11)	<input checked="" type="checkbox"/>	[For further detail see <input type="checkbox"/> order on the reverse of <input checked="" type="checkbox"/> order attached to the original minute order form.]	

<input type="checkbox"/> No notices required, advised in open court.	APR 17 1997 APR 17 1997 APR 17 1997	number of notices	Document # 351
<input type="checkbox"/> No notices required.		date docketed	
<input type="checkbox"/> Notices mailed by judge's staff.		docketing dpty. initials	
<input checked="" type="checkbox"/> Notified counsel by telephone.		date mailed notice	
<input checked="" type="checkbox"/> Docketing to mail notices.		mailing dpty. initials	
<input type="checkbox"/> Mail AO 450 form.	Date/time received in central Clerk's Office		
<input type="checkbox"/> Copy to judge/magistrate Judge.			
<input checked="" type="checkbox"/> courtroom deputy's initials			

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DOCKETED

APR 17 1997

DONNA LEE H. WILLIAMS, ET AL.)	
)	
Plaintiffs,	)	Civil Action 95 C 4243
	)	Hon. Elaine E. Buckle
v.	)	Magistrate Judge
	)	Rebecca R. Pallmeyer
NATIONAL HOUSING EXCHANGE INC., APX)	
MORTGAGE SERVICES, INC., and)	
RESOURCE ASSET MANAGEMENT, INC.)	
)	
Defendants.)	

ORDER REGARDING ADDITIONAL MASSACHUSETTS MORTGAGES

This matter having come to be heard on the Commissioner's Emergency Motion for an Order Confirming Title to Additional Massachusetts Mortgages, the Court hereby orders that National Heritage Life Insurance Company, in Liquidation ("NHL") has good, valid, and indefeasible ownership of any and all interests, all free and clear of any defects of title and free and clear of any leases, liens, security interests, encumbrances, adverse equities and any other claims of any other person or entity, in and to the mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments, whether or not of record, with respect to the real property located in the State of Massachusetts and listed in Exhibit A, which is attached to this Order and incorporated herein (hereinafter such mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments shall be referenced as the "Mortgages"), together with:

- (1) any and all notes, loan agreements, credit agreements, guaranties, and any other evidence of indebtedness secured by the Mortgages;
- (2) any and all other security interests or claims pertaining to any indebtedness secured by the Mortgages, including but not limited to any and all (a) security agreements or chattel mortgages, (b) assignments or collateral assignments of rents, leases, and profits, (c) assignments or collateral assignments of accounts receivable, (d) assignments, collateral assignments, or pledges of stock, (e) assignments or collateral assignments of business licenses, permits, service contracts and equipment leases, (f) interests in any insurance proceeds or condemnation awards, (g) interests in any indemnification agreements, whether with respect to environmental matters or otherwise, (h) interests in any leases, ground leases, proprietary

550

leases, or occupancy agreements, (i) interests in any UCC financing statements, (j) creditor's claims, and (k) if the subject Mortgage is in the process of being foreclosed, any proceeds being held in the registry of the court of competent jurisdiction or held by the court-appointed receiver; and

(3) any proceeds thereof.

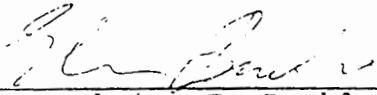
It is further ordered that to the extent that any Mortgages have been foreclosed, NHL has good, valid and indefeasible fee simple title, free and clear of any defects of title and free and clear of any claims of any other person or entity, in and to the real property that is encumbered by said Mortgages, together with all improvements thereon and easements and appurtenances thereto, and together with any and all proceeds concerning such real property held (1) in the registry of any court where such foreclosure action was pending, (2) by any court-appointed receiver for such real property, (3) by any property manager for such real property, and (4) by any other third party. (Hereinafter all Mortgages and related assets and real property and related assets shall be referenced as the "Assets".)

It is further ordered that, if necessary, in order to fulfill the terms and intent of this Order, NHL shall have the right (1) to unilaterally record any documents transferring or conveying any rights relating to the Assets and encompassed by this Order into the name of NHL, including but not limited to any assignment of any of the Mortgages or any UCC-3 financing statements, and (2) to unilaterally record any new financing statements to perfect NHL's security interests in the Assets.

It is further ordered that the Commissioner and NHL are not bound by the terms of any oral agreements affecting the Assets made by any predecessor in interest or former servicer of the Assets.

The recording of a certified copy of this Order in any jurisdiction where any Assets are located shall (1) convey title to such Assets to NHL, pursuant to the terms of this Order, and (2) re-establish any lost original instruments or documents pertaining to such Assets.

Dated: 4/5/97

ENTER: 

Hon. Elaine E. Bucklo

United States District Court Judge

Page 1

SEARCH PHRASE:	CURSTAT	CONTAINS	nf	AND	CLASSIF	CONTAINS	bond	AND	BK#	EXISTS	AND	STATE	CONTAINS	ma
STATE	COUNTY	MORTGAGR	ADDR	CITY	DOCNO.	BK#	PAGENO.							
A	Bristol	Briarcliff 90 Realty Trust	152 N. Main St., Units 1-8 172 N. Main St., Units 1-8 110 Briarcliff Rd., Units 1-8 100 Briarcliff Rd., Units 1-8 90 Briarcliff Rd., Units 1-8	Raynham		4650	137							
A	Middlesex	Tiger Realty Trust	225 Steadman St., Units 29 & 30	Lowell	34116	4602	181							
A	Middlesex	Adams	223 Courtland Street	Holliston		21050	88							
A	Plymouth	Ciampa	40 Matakeesett St., Unit 24	Pembroke	14473	10170	112							
A	Suffolk	Thomas	151 Tremont Street, No. 23P	Boston	464	14983	325							
A	Suffolk	Watkins/Williams	158 Glenway St.	Dorchester	283	14751	151							

COMMONWEALTH OF MASSACHUSETTS

WORCESTER, ss.

SUPERIOR COURT DEPARTMENT
CIVIL ACTION NO.:

STEVE NADER GAVAL and)
MANSOUR GAVAL,)
Plaintiffs)

vs.)

ALAN MASON, ESQUIRE, and)
d/b/a ALAN MASON LEGAL)
SERVICES, INC., and TERRY A.)
KING and E. PERRY KING)
Defendants)

COMPLAINT 04-0762C

PARTIES

1. The plaintiff, Steve Nader Gaval, is an individual residing at 25 Lynnwood Lane, Worcester, County of Worcester, Massachusetts 01609.
2. The plaintiff, Mansour Gaval, is an individual residing at 431 Salisbury Street, Worcester, County of Worcester, Massachusetts 01609.
3. The defendant, Alan Mason, Esquire, and d/b/a Alan Mason Legal Services, Inc., resides in Princeton, Massachusetts and has a principal place of business at 428 Shrewsbury Street, Worcester, County of Worcester, Massachusetts 01604.
4. The defendant, E. Perry King, is an individual residing at 10-A Dodge Hill Road Sutton, MA 01590
5. The defendant, Terry A. King, is an individual residing at 188 Route 146, Sutton, MA 01586

STATEMENT OF FACTS

6. Plaintiffs, Steve Nader Gaval and Mansour Gaval, are in the business of purchasing distressed properties to refurbish and resell at a higher value.
7. In or about July 2002, Plaintiffs retained Alan Mason, Esquire's legal services regarding the purchasing of property located at 6 Beckman Street, Worcester, Massachusetts and at 19 Canton Street, Worcester, Massachusetts from Terry A. King and E. Perry King (hereinafter collectively referred to as "the Kings").

8. Plaintiffs relied on Attorney Mason's legal expertise and at no time prior to the purchase of the King properties, did Attorney Mason indicate that there were existing encumbrances on either property.

9. As Buyers' attorney, Attorney Mason was obligated to perform or order a title rundown to ensure there were no encumbrances on the properties.

10. Alan Mason did not prepare a Purchase and Sale Agreement for the properties.

11. On or about July 15, 2002, Plaintiffs purchased each of the King properties for One Hundred Ten Thousand (\$110,000.00) Dollars and were deeded the properties, copies of which are attached and marked "A".

12. Unbeknownst to Plaintiffs, a Purchase and Sale Agreement between the plaintiffs and the Kings materialized originally dated July 18, 2002 (after the sale of the property) and adjusted to read July 15, 2002. In the Purchase and Sale Agreement it addresses outstanding tax liability owed to the City of Worcester and states under the section titled "Additional Provisions" that "Buyer agrees to hold the Seller harmless for any outstanding discharge(s) and taxes, and all outstanding judgments and mortgages to be discharged." A copy of Agreement is attached hereto and marked "B".

13. Plaintiffs neither signed nor viewed the contents of the Purchase and Sale Agreement dated July 15, 2002. The plaintiff, Mansour Gaval, states that the signature on the Purchase and Sale Agreement is false and a forgery. A copy of Mansour Gaval's Affidavit is attached hereto and marked "C".

14. After the purchase of the King properties, Plaintiffs learned that there were several encumbrances on each of the properties and were responsible for their payment as current title holders. A copy of itemization of the King encumbrances is attached hereto and marked "D".

15. Plaintiffs have since sold both properties at a lower resale value than what could have been obtained if there were no existing encumbrances and Plaintiffs have suffered severe monetary losses as a result.

16. Plaintiffs learned after the transactions that the Kings believed that Alan Mason represented them in the transactions.

17. The Board of Bar Overseers is investigating the transaction involving the plaintiffs and Defendant.

COUNT I

**Steve Nader Gaval and Mansour Gaval v. Alan Mason, Esquire, and d/b/a Alan
Mason Legal Services, Inc.
(Fraud/Misrepresentation)**

18. Plaintiffs reallege and reincorporate the allegations contained in paragraphs 1 through 17 above as if fully set forth herein.

19. Attorney Mason represented to Plaintiffs that titles to the King properties located at 6 Beckman Street, Worcester, Massachusetts and at 19 Canton Street, Massachusetts, were free and clear of any encumbrances, which representations were false, as the defendant knew or should have known being legal counsel.

20. The defendant, as counsel for Plaintiffs, owed a duty to research and ensure that both of the King properties were absent of encumbrances.

21. The plaintiffs relied upon representations made by the defendant and were thereby induced to purchase the King properties which were severely encumbered.

22. As a result of the false and/or fraudulent representations made by the defendant, the plaintiffs suffered estimated damages in the amount of \$357,000.

WHEREFORE, the plaintiffs pray that judgment enter against the defendant in the amount of the plaintiffs' damages, plus interest from the date of said fraud and costs, including reasonable attorney's fees.

COUNT II

**Steve Nader Gaval and Mansour Gaval v. Alan Mason, Esquire, and d/b/a Alan
Mason Legal Services, Inc.
(Malpractice Against Defendant)**

23. Plaintiffs reallege and reincorporate the allegations contained in paragraphs 1 through 22 above as if fully set forth herein.

24. The defendant negligently failed to perform his duties according to the generally accepted standards of care known in practice by the average legal practitioner in the Commonwealth of Massachusetts, causing the plaintiffs to suffer damages.

25. Defendant failed to perform or order title rundowns on the properties.

26. Defendant failed to disclose that the properties were severely encumbered.

27. Defendant's actions fall below the standard of care for the average real estate attorney.

28. Defendant's actions caused Plaintiffs damages, including additional attorneys fees to clear title and for the encumbrances themselves.

WHEREFORE, the plaintiffs pray that judgment enter against the defendant in the amount of the plaintiffs' damages, plus interest from the date of said malpractice and costs, including reasonable attorney's fees.

COUNT III

**Steve Nader Gaval and Mansour Gaval v. Alan Mason, Esquire
(Violation of the Massachusetts Rules of Professional Conduct)**

29. Plaintiffs reallege and reincorporate the allegations contained in paragraphs 1 through 28 above as if fully set forth herein.

30. Defendant, as sworn counsel in the Commonwealth of Massachusetts, owes a duty to abide by the established rules set forth for practicing attorneys and breached his duty by representing both Seller and Buyer in the same property transaction resulting in a direct conflict of interest in violation of Rule 1.7 of the Massachusetts Rules of Professional Conduct.

WHEREFORE, the plaintiffs pray that judgment enter against the defendant in the amount of the plaintiffs' damages, plus interest from the date of said violation and costs, including reasonable attorney's fees.

COUNT IV

**Steve Nader Gaval and Mansour Gaval v. E. Perry King and Terry A. King
(Breach of Contract)**

31. Plaintiffs reallege and reincorporate the allegations contained in paragraphs 1 through 30 above as if fully set forth herein.

32. Defendants E. Perry King and Terry A. King breached their agreement with the Gavals that they would transfer clear title to the properties in exchange for the purchase prices.

33. Defendants have acknowledged, post-transfer, that they had knowledge that the properties had valid liens against them, specifically one from the Department of Revenue.

34. Plaintiffs have been damaged as a result of Defendants' conduct.

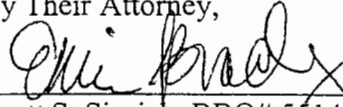
WHEREFORE, the plaintiffs pray that judgment enter against the defendants in the amount of the plaintiffs' damages, plus interest from the date of the breach and costs, including reasonable attorney's fees.

PLAINTIFFS REQUEST A TRIAL BY JURY ON ALL ISSUES SO TRIABLE.

Dated: _____

4/22/04

Respectfully submitted,
Steve Nader Gaval and
Mansour Gaval,
By Their Attorney,



Scott S. Sinrich, BBO# 551440
Erin O. Bradbury, BBO# 637411
Phillips, Silver, Talman, Aframe &
Sinrich, P.C.
340 Main Street, Suite 900
Worcester, MA 01608
(508) 754-6852

A

SCHEDULE A

Mass.

The land in said Worcester, / on the easterly side of Beckman Street, a street extending northerly from Whipple Street, and bounded and described as follows:

BEGINNING at a point in the east line of said Beckman Street at land now or formerly of Lars M. Muhr;

THENCE easterly by said Muhr's land one hundred five (105) feet to land now or formerly of John Henry;

THENCE northerly by said Henry Land, sixty (60) feet to a point at land now or formerly of Charles C. Steele;

THENCE westerly by said Steele land one hundred five (105) feet to said Beckman Street;

THENCE southerly by said Beckman Street, sixty (60) feet to the place of beginning.

TITLE REF Book 10883 p6 242

ATTEST: WORC. Anthony J. Viglotti, Register

SCHEDULE A

Worcester, Worcester County, Massachusetts, in the southerly part thereof, in the section known as Irvington, on the southerly side of Canton Street, shown as Lot 17 on a plan of lots drawn for the Ballard Land Company by Buttrick & Pratt, recorded in Book 1537, Page 653 and bounded and described as follows:

BEGINNING at a stone monument set at the northwesterly corner of the herein described premises on the southerly side of Canton Street, formerly known as Albion Avenue;

THENCE southerly by Lot 18, a distance of 100 feet to a stone monument;

THENCE easterly by Lot 35 and Lot 36, a distance of 50 feet to a stone monument;

THENCE northerly by Lot 16, a distance of 100 feet to a stone monument on the southerly side of said Canton Street, formerly Albion Avenue;

THENCE westerly by said Canton Street 50 feet to the point of beginning.

TITLE REF Book 8344 Page 333-334

19 Canton Street, Worcester, MA

B

428 Shrewsbury Street
Worcester, MA 01604
(508) 752-7550: Phone
(508) 756-9431: Fax

PURCHASE AND SALE AGREEMENT

DATE OF AGREEMENT:

PARTIES:

SELLER

T.A. King
E. Perry King
Sutton Associates

SELLER ATTORNEY

BUYER

Mansour Gaval

BUYER ATTORNEY

PROPERTY: Beckman Street and Canton Street(s), Worcester, MA

TIME FOR PERFORMANCE: JULY ¹⁵~~18~~, 2002
Time is of the essence.

Handwritten signature/initials

PURCHASE PRICE:	OUTSTANDING TAX LIABILITY DUE TO THE CITY OF WORCESTER
Deposit with Offer	\$0.00
Deposit paid at P&S	\$30,000.00
Funds due at closing*	\$ _____

*To be paid in cash, certified, cashiers, or attorney trustee check.

MORTGAGE CONTINGENCY: not applicable

Lending Institution -

Loan Amount -

Mortgage Contingency Date -

Inspections -

SPECIAL CONDITIONS:

Inclusions:

Exclusions: ALL PERSONAL PROPERTY

ADDITIONAL PROVISIONS

BUYER AGREES TO HOLD THE SELLER HARMLESS FOR ANY OUTSTANDING
DISCHARGE(S) AND TAXES, and all outstanding judgements and mortgages
to be discharged.

I. PARTIES

2. DESCRIPTION

SELLER agrees to sell and *BUYER* agrees to buy, upon the terms, provisions, conditions and covenants set forth herein, the land described in the Exhibit A hereto attached.

3. TIME FOR PERFORMANCE

The deed is to be delivered at the appropriate registry of deeds at 11:00 a.m. on the date referenced on page 1 of this agreement unless otherwise agreed upon in writing.

4. MORTGAGE CONTINGENCY

This Agreement is contingent upon the *BUYER* obtaining a mortgage at prevailing interest rates on or before the mortgage contingency date referenced on page 1. In the event the *BUYER* is unable to obtain such financing, in order to receive a return of *BUYER'S* deposit hereunder, *BUYER* must notify *SELLER*, in writing, of such inability to obtain financing on or before said date.

The failure to so notify the *SELLER* in writing for any reason shall be deemed an express waiver of this contingency and the parties shall then be governed by the terms and conditions of the remainder of this Agreement. The *BUYER* shall diligently, in good faith, and with their best efforts, proceed to seek and secure such mortgage financing, but if even then, *BUYER* shall fail to obtain such financing by said date and provided *SELLER* notification in writing of such fact by such date, then this agreement shall be void, all deposits shall be refunded and neither party shall have any further rights. In no event will the *BUYER* be deemed to have used diligent efforts to obtain such commitment unless the *BUYER* submits at least one completed mortgage loan application to a reputable lending institution ten days after the offer to purchase has been fully executed.

5. BUILDINGS, STRUCTURES, IMPROVEMENTS, FIXTURES, ETC.

Included in the sale as a part of said premises are the buildings, structures, and improvements now thereon, and the fixtures belonging to the *SELLER* and used in connection therewith, including if any, screens, screen doors, shutters, furnaces, heaters, heating equipment, stoves, ranges, hot water heaters, plumbing and bathroom fixtures, electric and other lighting fixtures, mantels, television antennas, fences, gates, trees, shrubs and plants, and only if built in, air conditioning equipment, ventilators, dishwashers.

6. PLAN

If the deed refers to a plan necessary to be recorded therewith, the *SELLER* shall deliver such plan with the deed in form adequate for recording or registration.

7. TITLE DEED

Said premises are to be conveyed by a good and sufficient quitclaim deed running to the *BUYER*, or to the nominee designated by the *BUYER* by a written notice to the *SELLER* at least ten (10) days before the deed is to be delivered as provided herein; and said deed shall convey good, clear and marketable title to the subject premises, free of any and all liens, charges or encumbrances of whatsoever nature and description except:

- A. Such real estate taxes for the then current year as are not yet due and payable on or before the date of delivery of the deed;

- B. Any liens for municipal betterment assessments made after the of execution by all parties of this Agreement.
- C. Provisions of existing building and zoning laws.
- D. Any and all rights, restrictions or easements of record if any, insofar as the same are in full force and applicable to the subject premises, but not affecting the value or intended use thereof.
- E. Existing rights and obligations in party walls which are not the subject of written agreement.
- F. Usual public utilities servicing the property, if any.
- G. Mortgage's not assumed which are to be discharged as a result of this transaction, which discharges shall be recorded within a reasonable time after the recording of the closing documents.

8. TITLE REFERENCE

The title reference is unknown at this time. SELLER'S attorney shall be responsible for obtaining a certificate of title from a reputable title company. The cost for said title examination shall be borne by SELLER.

9. INSPECTIONS

The *BUYER* may, at his expense, on or before the inspection date have the property inspected by a person or firm in the business of pest inspections. If, in the opinion of this person or firm, the property contains termites or other wood boring insects, then the *BUYER* shall have the option of rescinding this Agreement within 48 hours of said inspection by a note in writing. Whereupon all deposits made by the *BUYER* shall forthwith be refunded and this Agreement shall be null and void without further recourse. *BUYER* shall provide proof to the *SELLER* by way of said inspection report. If notification is not forwarded to the *SELLER* within said 48 hours of said inspection, then this contingency will have been deemed waived by the *BUYER* and the parties shall be governed by the terms and conditions of the remainder of this Agreement.

The *BUYER* may, at his expense, or before the inspection date referenced on page 1, have the property septic and/or well inspected by a person or firm in the business of doing such inspections. Also, radon and any other tests required by the V.A. If, in the opinion of this person or firm, the property contains serious structural and/or mechanical defects, then the *BUYER* shall have the option of rescinding this Agreement within 48 hours of said inspection by a notice in writing. Whereupon all deposits made by the *BUYER* shall forthwith be refunded and this Agreement shall be null and void without further recourse. If notification is not forwarded to *SELLER* within 48 hours of said inspection then this contingency will have been deemed waived by the *BUYER* and the parties shall be governed by the terms and conditions of the remainder of this Agreement. *BUYER* shall provide to the *SELLER* proof of such defects by way of said inspection report (s).

In the event that the home inspection reveals major structural repairs . . . excess of \$3,000.00, and/or the well test does not meet FHA standards and/or the property has pest infestation, the *BUYER* shall have the option to withdraw from this Agreement and all deposits shall be returned and the parties discharged from any and all obligations hereunder.

The *BUYER* is afforded 10 days from the date of this Agreement to have the premises inspected for the presence of lead. If that inspection reveals the presence of dangerous levels of lead as defined by M.G.L. C. 111 Sections 190 ex. Seq., the *BUYER* may terminate this Agreement by written notice to the *SELLER* no later than 48 hours after said inspection. Whereupon all deposits made by the *BUYER* shall forthwith be refunded and this Agreement shall be null and void without further recourse. If notification is not forwarded to the *SELLER* within 48 hours then this contingency will have been deemed waived by the *BUYER* and the parties shall be governed by the terms and conditions of the remainder of this Agreement. *BUYER* will provide to the *SELLER* proof of dangerous levels of lead on the premises by way of said inspection report (s).

10. POSSESSION AND CONDITION OF PREMISES

Full possession of said premises free of all tenants and occupants, except as herein provided, is to be delivered at the time of the delivery of the deed, said premises to be then a) in the same condition as they now are, reasonable use and wear thereof excepted and b) not in violation of said building and zoning laws. The *BUYER* shall be entitled to one inspection of said premises prior to the delivery of the deed in order to determine whether the condition thereof complies with the terms of this clause.

11. EXTENSION TO PERFECT TITLE OR MAKE PREMISES CONFORM

If the *SELLER* shall be unable to give title or to make conveyance, or to deliver possession of the premises, all as herein stipulated, or if at the time of delivery of the deed the premises does not conform with the provisions hereof, the *SELLER* may elect to use reasonable effort to remove any defects in title or to deliver possession as provided herein, or to make the said premises conform to the provisions hereof as the case may be, in which event the *SELLER* shall give written notice thereof to the *BUYER* at or before the time for performance hereunder, and thereupon the time for performance hereof shall be extended for a period of thirty (30) days or until the earlier expiration of *BUYER'S* financing commitment, which shall mean the earliest date on which the amount, term and/or interest rate of the loan is no longer guaranteed.

12. FAILURE TO GIVE TITLE OR MAKE PREMISES CONFORM

If, at the expiration of the time for performance hereunder, the *SELLER* shall not be able to give title; or deliver possession; or except for a fire or other unavoidable casualty, make the premises conform; as the case may be, and all as herein agreed, then at the *BUYER'S* election, any and all payments made by the *BUYER* hereunder shall be forthwith refunded to the *BUYER* and all obligations of all parties hereto shall cease.

13. BUYER'S ELECTION TO ACCEPT TITLE

The *BUYER* shall have the right to elect, at the time for the performance hereunder, to accept such title as the *SELLER* can deliver to said premises in their then condition, provided that the acceptance of a deed by the *BUYER* shall be deemed to be a full

performance and disclosure of this agreement.

14. INSURANCE, FIRE AND OTHER CASUALTY

The *SELLER* shall maintain existing fire and extended coverage insurance on the premises. In the event that the premises shall, prior to transfer of title, be damaged or destroyed by fire or other unavoidable casualty (other than reasonable use and wear prior to transfer of title hereunder), and the *SELLER* has not, prior to time for performance hereunder, restored the premises so as to conform with the terms hereof; then:

- A. If the cost to restore the premises shall exceed \$5,000.00, then the *BUYER* may elect to receive all amounts recovered or recoverable on account of said insurance, plus any deductible or co-insurance, less any amounts reasonably expended by the *SELLER* for any partial restoration; or cancel this Agreement and any and all payments made by the *BUYER* hereunder shall forthwith be refunded to the *BUYER*.
- B. If the cost to restore the premises shall be \$5,000.00 or less, the parties shall perform this Agreement and the *BUYER* shall receive all amounts recovered or recoverable on account of said insurance plus any deductible and co-insurance less any amounts reasonable expended by the *SELLER* for partial restoration.
- C. If there is damage to the premises valued at \$5,000.00 or less, and the premises are not completely restored prior to closing, then at the closing, there shall be a holdback from the purchase price of \$5,000.00 to be held in escrow by the attorney for the *BUYER*. Said escrow amount shall be held until all insurance proceeds are paid and all restoration is completed. If *BUYER* is required to expend sums in addition to insurance proceeds to restore the premises, the amount expended by *BUYER* shall be paid to *BUYER* out of the escrow fund, and the balance, if any, shall be returned to the *SELLER*. If *BUYER* is not required to expend sums in addition to insurance proceeds to restore the premises, the entire escrow fund shall be returned to *SELLER*.
- D. Notwithstanding any provision of this paragraph to the contrary, if such damage or destruction of the premises materially interferes with *BUYER'S* ability to inhabit the premises then notwithstanding that the cost to restore the premises shall be \$5,000.00 or less, *BUYER* shall not be obligated to perform hereunder until the premises are restored to habitable condition at or prior to the closing date or any extension thereof permitted by this Agreement.

15. USE OF PURCHASE MONEY TO CLEAR TITLE

To enable the *SELLER* to make conveyance as herein provided, the *SELLER* may at the time of the delivery of the deed use the purchase money or any portion thereof to clear the title of any and all encumbrances or interests, provided that all instruments so procured are recorded simultaneously with the delivery of said deed, or as soon thereafter as practical.

16. ADJUSTMENTS

Taxes for the then current year and, if any, water, sewer use, rents, and security deposits shall be apportioned and fuel value shall be adjusted as of the date of delivery of the deed, and the net amount thereof shall be added to or deducted from, as the case may be, the purchase price payable by the *BUYER* at the time of delivery of the deed.

17. DEPOSIT

All additional deposits made hereafter by the *BUYER* shall be held by Law office of Alan Mason, Attorney for the *SELLER*, in a non-interest bearing account, subject to the terms of the within Agreement and shall be duly accounted for at the time of the delivery of the deed. The initial deposit is to be held by the broker.

18. BROKER'S COMMISSION

A broker's commission for professional service is due from the *SELLER* to NONE, but only if, as, and when the *SELLER* receives the full purchase price and the *BUYER* accepts and records *SELLER'S* deed and not otherwise.

19. BUYER'S DEFAULT

In the event *BUYER* shall fail to fulfill the *BUYER'S* agreements herein, all deposits made hereunder by the *BUYER* shall be retained by the *SELLER* as liquidated damages, whereupon the within Agreement shall be null, void and of no force and effect, with no party hereto to have further recourse against another.

20. SELLERS REPRESENTATIONS

No representative of *SELLER* shall be required to attend the closing in person, provided that *SELLER* delivers in escrow to the closing attorney on or before the closing date an executed deed for the premises and any other documents required hereunder. *SELLER* shall execute such other documents in connection with the closing as may be reasonably requested by *BUYER'S* lender, provided such documents shall be delivered to *SELLER* no later than two (2) business days prior to the date of closing.

The *SELLER* shall, prior to transfer of title, provide and pay for the smoke detectors in compliance with M.G.L.C. 148, Section 26F, and furnish the *BUYER* a Certificate of Compliance and/or occupancy permit if required, in accordance with the provisions of such statute.

SELLER represents and warrants that *SELLER* has complied with the provisions of 105 CMR 651 with respect to urea formaldehyde foam insulation (UFFI) in the premises, and that based on the inspections required by such regulation, the premises do not contain UFFI. In the event that UFFI is found in the premises, *SELLER* shall cooperate as necessary in any action for removal.

The *SELLER* makes no representation to the *BUYER* concerning the existence or non-existence of lead paint within, without, or on the premises, and makes no representations of compliance with provisions of MGL C. 111, Sec. 197. The parties understand that if a child or children under 6 years of age becomes a resident in the building after purchase of the premises by the *BUYER*, the duty of removing such material or making it inaccessible to such child or children will be that of the *BUYER*.

Except as otherwise provided in this Agreement, the premises are being conveyed in an "AS IS" condition. Any appliances which are included with the sale are sold "AS IS" without any warranty as to condition or operating capacity.

21. TITLE 5

Should the property being conveyed herein be serviced by an on site treatment and disposal of sanitary sewage system, the *SELLER* shall cause said system to be inspected prior to closing. The *SELLER* shall present to the *BUYER* a certificate authored by a "Certified Soil Evaluator" that the system has met all of the requirements of TITLE 5 of the Massachusetts Environmental Code.

In the event that the above referenced system shall have failed the inspection the *SELLER* shall:

1. At Seller's expense cause the system to be repaired and or replaced in accordance with TITLE 5; or
2. Withdraw from this transaction and return all deposits to the Buyer. In such event this purchase and sale agreement shall be null and void.

22. VOLUNTARY EXECUTION

The parties declare and acknowledge that they, and each of them, had the opportunity to have independent legal advice by counsel of their own selection; that each party hereto fully understands the provisions of the within Agreement; and that each party signs this Agreement freely and voluntarily.

The *BUYER* acknowledges that the *BUYER* has not been influenced to enter into this transaction nor has he/she relied upon any warranties or representations not set forth or incorporated in this Agreement or previously made in writing.

The *BUYER* has examined the premises to be conveyed and except as otherwise provided in this Agreement, hereby accepts said premises in their present condition, AS IS. The *BUYER* does not rely on any representation or warranty made by the *SELLER* or its representatives relating to the physical condition of the premises or its suitability for any purposes for which the *BUYER* may desire to use them, unless specifically set forth in this Agreement. The contracting parties agree that this contract contains all the conditions of this sale. It is mutually agreed that any oral representation made by either party or their representatives prior to the signing of this Agreement is null and void.

23. CONSTRUCTION OF AGREEMENT

This instrument, executed in triplicate, is to be construed as a Massachusetts contract, is to take effect as a sealed instrument, sets forth the entire contract between the parties, is binding upon and inures to the benefit of the parties hereto and their respective heirs, devisees, executors, administrators, successors and assigns, and may be canceled, modified or amended only by a written instrument executed by both the *SELLER* and the *BUYER*. If two or more persons are named herein as *BUYER*, their obligations hereunder shall be joint and several. The captions are used only as a matter of convenience and are not to be considered a part of this Agreement or to be used in determining the intent of the parties to it.

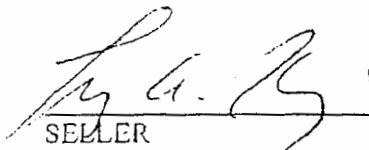
24. I.R.S. FILING REQUIREMENTS

In the event the lender's attorney does not designate himself / herself as the reporting agent, the *BUYER'S* attorney shall report the information needed to comply with I.R.C. 6045 (e).

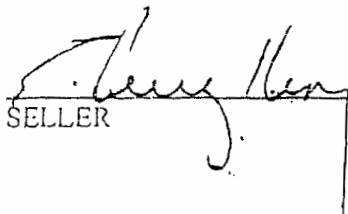
25. ACCEPTANCE OF DEED

The acceptance of a deed by the *BUYER* or his/her nominee, as the case may be, shall be deemed to be a full performance and discharge of every agreement and obligation herein contained or expressed, except such as are by the terms hereof, to be performed after the delivery of said deed.

IN WITNESS WHEREOF, the several parties have hereunto set their hands and seals this _____ day of _____,


SELLER


BUYER


SELLER

BUYER

C

I, Mansour Gaval, hereby say and depose:

I did not ever sign or review the Purchase and Sale Agreement purportedly entered into between T.A. King and E. Perry King d/b/a Sutton Associates and Mansour Gaval drawn up by Alan Mason Legal Services relating to Beckman Street and Canton Street, Worcester, Massachusetts reciting consideration of \$30,000.

SIGNED UNDER THE PAINS AND PENALTIES OF PERJURY THIS 30 DAY OF 3/13 2004.

Mansour Gaval
Mansour Gaval

Erin Bradbury
Notary Public
My commission expires:

Erin Bradbury
Notary Public
My Commission Expires
December 6, 2006

D

EXHIBIT D

ITEMIZATION OF DAMAGES

Property at 19 Canton Street, Worcester, MA

Massachusetts Department of Revenue Tax Lien	\$53,639.42
Sterling & Locke, Inc. mortgage	\$70,000.00

Property at 6 Beckman Street, Worcester, MA

Mortgage from E. Perry King and Terry A. King, d/b/a Sutton Associates, to The Home National Bank of Milford and now National Heritage Life Insurance Company ("NHL") Outstanding Mortgage	\$30,000.00
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Legal Fees

Gershon M. Gulko, Esquire Retained to clear title to 6 Beckman Street	\$ 3,500.00
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Mirick O'Connell, DeMallie & Lougee, LLP Retained to clear title to both properties	\$ 7,000.00
--	-------------

Lost profit on sales of two homes	\$192,000
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Total Damages	\$357,000
----------------------	------------------

E

(508) 752-7550
FAX (508) 756-9431
TOLL FREE 1-800-741-3741

June 17, 2003

RE: Beckman Street, Worcester, MA
Canton Street, Worcester, MA

To Whom It May Concern:

This will acknowledge that I brokered and was legal counsel for a real estate transfer on behalf of Nader and Mansour Gaval. The properties were encumbered by outstanding taxes and mortgages. The City of Worcester was in the process of tax title and as part of the transaction, the City was to be paid their real estate taxes and the petition was to be held in abeyance for a period of one month pending my negotiations with the banks for releases. In addition, the City through Tom Zedillis and myself agreed that the action would not be dismissed until I obtained the correct names of the mortgage holders and had an opportunity to negotiate.

Unbrought to me and prior to obtaining the names of the mortgage holders, Mr. Zedillis breached his agreement and dismissed the Land Court Proceedings.

I am in the process of attempting to negotiate with the banks for releases or an assignment of the tax title with Mayor Timothy Murray and the City Manager, Thomas Hoover.

Yours very truly


Allan Mason, Esquire

AM/jew

I Allan mason must get a clear title for both property 6 Beckman St. and 19 Canton St. before I transferred to Nader Gaval and Mansour Gaval for the price of \$110,000. each.



CERTIFICATE OF SERVICE

I hereby certify that on this date, I caused a true copy of the within document to be served by first class mail, postage pre-paid, and a copy of the pleading without exhibits to be sent by facsimile, to, as follows:

Robert B. Gibbons, Esq.
Kristin D. Thompson, Esq.
Mirick, O'Connell, DeMallie & Lougee, LLP
100 Front Street
Worcester, MA 01608


Deborah Rizzotto

Dated: 12/6/04

COMMONWEALTH OF MASSACHUSETTS

WORCESTER, SS.

SUPERIOR COURT DEPARTMENT
OF THE TRIAL COURT
WORCESTER DIVISION
CIVIL ACTION NO. 04-2116-A

SANDRA S. KATZ,
Plaintiff

V.

DONNA LEE H. WILLIAMS, INSURANCE
COMMISSIONER OF THE STATE OF
DELAWARE, AS RECEIVER OF
NATIONAL HERITAGE LIFE INSURANCE
COMPANY IN LIQUIDATION,
Defendant

DEC 23 2004
TEST
PLAINTIFF'S ANSWER TO
DEFENDANT'S COUNTERCLAIM

The plaintiff/defendant-in-counterclaim, Sandra S. Katz ("Katz"), answers the counterclaim of the defendant/plaintiff-in-counterclaim, Donna Lee H. Williams, Insurance Commissioner of the State of Delaware, as Receiver of National Heritage Life Insurance Company in Liquidation ("NHL"), as follows:

1. Katz is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 1 of the counterclaim.
2. Admitted.
3. Katz is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 3.
4. Paragraph 4 purports to characterize portions of a written document, which document speaks for itself.
5. Paragraph 5 purports to characterize portions of a written documents, which documents speaks for themselves.

6. Paragraph 6 purports to characterize portions of written documents, which documents speaks for themselves.

7. The counterclaim does not include a numbered paragraph 7, and therefore requires no answer.

8. Katz denies the allegations contained in the first sentence of paragraph 8. The second sentence of paragraph 8 purports to characterize portions of a written document, which document speaks for itself.

9. Admitted. Further answering, Katz states that when recording the judgments, the defendant did not marginally reference the judgments to any specific deeds, mortgages or assignments.

10. Katz admits so much of paragraph 10 as alleges that she obtained title to the property by deed dated December 19, 2003, which deed was recorded with the registry on January 28, 2004.

11. Paragraph 11 purports to characterize portions of a written document, which document speaks for itself.

12. Katz repeats and restates her answers to paragraphs 1 through 11 above, which answers are incorporated herein by reference.

13. Denied.

14. Paragraph 14 states a legal conclusion, and therefore requires no answer. In so far as paragraph 14 alleges any liability on the part of Katz, such liability is denied.

15. Admitted.

16. Admitted.

17. Katz repeats and restates her answers to paragraphs 1 through 16 above, which answers are incorporated herein by reference.

18. Denied.

19. Denied.

20. Denied.

21. Admitted.

22. Admitted.

AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE

The defendant has failed to state a cause of action upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

Defendant's claims are frivolous, wholly unsubstantiated and have not been advanced in good faith.

THIRD AFFIRMATIVE DEFENSE

Defendant's claims are barred by the doctrine of laches.

FOURTH AFFIRMATIVE DEFENSE

Defendant's claims are barred by the doctrine of estoppel.

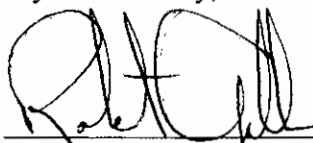
FIFTH AFFIRMATIVE DEFENSE

Defendant's claims are barred due to the failure to record the purported assignments of the subject mortgage.

WHEREFORE, the plaintiff/defendant-in-counterclaim, Sandra S. Katz, demands the counterclaim of the defendant be dismissed and judgment enter for her together with costs and such further relief as is appropriate.

SANDRA S. KATZ

By her attorney,

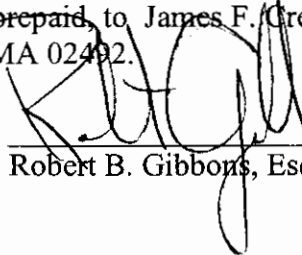


Robert B. Gibbons, Esq., BBO #631049
Kristin D. Thompson, Esq., BBO #656179
Mirick, O'Connell, DeMallie & Lougee, LLP
100 Front Street
Worcester, MA 01608-1477
Phone: (508) 791-8500
Fax: (508) 791-8502

Dated: 12/22/04

CERTIFICATE OF SERVICE

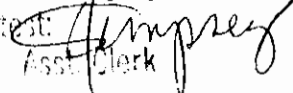
I, Robert B. Gibbons, hereby certify that I have this day served a copy of the foregoing document, by mailing a copy, first class mail, postage prepaid, to James F. Creed, Jr., Esq., Creed & Formica, 1329 Highland Avenue, Needham, MA 02492.



Robert B. Gibbons, Esq.

Dated: 12/22/04

A true copy by photostatic process

Attest: 
Asst. Clerk

12/27

COMMONWEALTH OF MASSACHUSETTS
WORCESTER, ss. SUPERIOR COURT DEPARTMENT
CIVIL ACTION NO. 04-2116A

SANDRA S. KATZ,
Plaintiff,

v.

DONNA LEE H. WILLIAMS, INSURANCE
COMMISSIONER OF THE STATE OF DELAWARE
AS RECEIVER OF NATIONAL HERITAGE
LIFE INSURANCE COMPANY IN LIQUIDATION
Defendant.

AND

DONNA LEE H. WILLIAMS, INSURANCE
COMMISSIONER OF THE STATE OF DELAWARE
AS RECEIVER OF NATIONAL HERITAGE
LIFE INSURANCE COMPANY IN LIQUIDATION
Third Party Plaintiff,

v.

FEDERAL DEPOSIT INSURANCE CORPORATION,
UNITED STATES OF AMERICA, E. PERRY KING,
ALAN MASON, ALAN MASON LEGAL
SERVICES, P.C., ALAN MASON LEGAL SERVICES,
INC., ALAN MASON D/B/A ALAN MASON LEGAL
SERVICES, P.C., ALAN MASON D/B/A ALAN
MASON LEGAL SERVICES, INC., AND ALAN
MASON LEGAL SERVICES, P.C. D/B/A ALAN
MASON LEGAL SERVICES, INC.,
Third Party Defendants.

FILED

DEC 27 2004

ATTEST:

Frances A. [Signature]
CLERK

5/

260--

THIRD PARTY COMPLAINT

1. The Third-Party Plaintiff is Donna Lee H. Williams, Insurance Commissioner of the State of Delaware, as Receiver of National Heritage Life Insurance Company in

Liquidation (“NHL”) of Dover Delaware, with a customary place of operation at 950 South Winter Park Drive, Suite 200, Casselberry, Florida.

2. The Third-Party Defendant is the Federal Deposit Insurance Corporation (“FDIC”) with a place of business at 1910 Pacific Avenue, Suite 400, Dallas, Texas, 75201 .
3. The Third-Party Defendant is the United States of America, with an address at the Department of Justice, 950 Pennsylvania Avenue, N.W., Washington, DC 20530, and an address of United States Attorney Office, U.S. Courthouse, Suite 9200, One Courthouse Way, Boston, MA 02210.
4. The Third-Party Defendant is E. Perry King, with a last known address of 10-A Dodge Hill Road, Sutton, MA 01590.
5. The Third-Party Defendant is Alan Mason, an attorney in Massachusetts with a last known address of 26 Pine Hill Road, Princeton, MA 01541.
6. The Third-Party Defendant is Alan Mason Legal Services, P.C., with a place of business at 428 Shrewsbury Street, Worcester, MA 01604.
7. The Third-Party Defendant is Alan Mason Legal Services, Inc., with a place of business at 428 Shrewsbury Street, Worcester, Massachusetts 01604. (Alan Mason Legal Services, Inc. is not a corporation organized and filed with the Massachusetts Secretary of State; rather, Attorney Mason does business under this name, while he has organized with the Secretary of State as Alan Mason Legal Services, P.C.)
8. The Third-Party Defendant is Alan Mason d/b/a Alan Mason Legal Services, P.C., with a place of business at 428 Shrewsbury Street, Worcester, Massachusetts 01604.
9. The Third-Party Defendant is Alan Mason d/b/a Alan Mason Legal Services, Inc., with a place of business at 428 Shrewsbury Street, Worcester, Massachusetts 01604.

10. The Third-Party Defendant is Alan Mason Legal Services, P.C. d/b/a Alan Mason Legal Services, Inc., with a place of business at 428 Shrewsbury Street, Worcester, Massachusetts 01604. (Alan Mason and the Mason business entities are hereinafter collectively referred to as the "Mason Entities")

FACTS

11. NHL is the owner of a Note originally granted by Perry King and Terry King to The Home National Bank of Milford.¹
12. On or about January 27, 1988, Perry King and Terry King executed and delivered a Promissory Note (hereinafter "Note") to The Home National Bank of Milford in the sum of \$112,000.00, dated January 27, 1988. In the Note, Perry King and Terry A. King promised to pay monthly principal and interest payments in the amount of \$1,137.07 to the Home National Bank of Milford or Noteholder for twenty years, with variable rate interest thereon.
13. The Note was secured by a mortgage on real estate located at 19 Canton Street, Worcester, County of Worcester, Massachusetts. Said mortgage was recorded in the Worcester District Registry of Deeds at Book 11097 and Page 122. (The Promissory Note and Mortgage for 19 Canton Street hereinafter referred to as "Canton Loan.") (Copies of the Note and Mortgage for 19 Canton Street are attached hereto as Exhibits "A" and "B", respectively.)
14. On March 29, 1994, the FDIC, as assignee of the Receiver of the Home National Bank of Milford, Massachusetts, assigned the Canton Loan to South Star

¹ Terry A. King is not presently a defendant in this action as he received a discharge from the United States Bankruptcy Court, pursuant to the U.S. Bankruptcy Code. See Bankruptcy Case No. 03-43302.

Management Company, Inc., a Florida corporation, effective as of December 17, 1993. (A copy of this assignment is attached hereto as Exhibit "C".) On March 18, 1994, South Star Management Company, Inc. assigned the Canton Loan to the National Housing Exchange, Inc., a North Carolina corporation, effective as of December 28, 1993. (A copy of this assignment is attached hereto as Exhibit "D".)

15. Thereafter, unencumbered ownership of the Canton Loan for 19 Canton Street, Worcester, Massachusetts was vested in NHL. NHL's ownership was determined and declared by certain foreign judgments. These rights in and to the Canton Loan were recognized in Massachusetts by the Superior Court Department for Suffolk County, in Civil Action No. 97-02013 B, which entered two default judgments thereby recognizing and giving effect to the following foreign judgments in Massachusetts:

- 1) The Chancery Court of the State of Delaware in and for New Castle County Liquidation and Injunction Order in Civil Action No. 13530, dated November 21, 1995;
- 2) The United States District Court, Northern District of Illinois, Eastern Division's Amended Declaratory Judgment Order in No. 95 C 4243, dated April 12, 1996, nunc pro tunc, April 3, 1996;
- 3) The United States District Court, Northern District of Illinois, Eastern Division's Revised Order Regarding Massachusetts Mortgages No. 95 C 4243, dated February 20, 1997;
- 4) The United States District Court, Northern District of Illinois, Eastern Division's Order Particularly Identifying the I-250 Assets No. 95 C 5253 dated February 7, 1997;
- 5) The United States District Court, Northern District of Illinois, Eastern Division's Revised Order Regarding Additional Massachusetts Mortgages No. 95 C 4243, dated April 15, 1997.

(Copies of the two Superior Court Judgments by Default in Civil Action 97-02013 B,

are attached hereto as Exhibit "E" and "F", respectively, with copies of the foreign judgments attached thereto. Exhibit 2 to the February 20, 1997 Revised Order Regarding Massachusetts Mortgages from the U.S. District Court for the Northern District of Illinois, Eastern Division, a marginal references attachment thereto, specifically makes reference to 19 Canton Street, in Worcester, Massachusetts by mortgagor name, property address and recording reference.)

16. The two Superior Court Default Judgments were recorded by NHL on or about September 15, 1997 at Book 19167, Page 306, et seq, and October 21, 1997 at Book 19273, Page 243, et seq, at the Worcester County Registry of Deeds.
17. On or about July 19, 2002, E. Perry King and Terry A. King transferred the property to Mansour Gaval and Nader Gaval, both of Worcester, Massachusetts (hereinafter, jointly the "Gavals").
18. On or about July, 2002, Attorney Mason contacted the FDIC on behalf of the Gavals and/or the Kings, to request a discharge of the Canton Loan. Attorney Mason fraudulently signed an affidavit indicating that the Canton Loan had been paid off by the mortgagors, E. Perry King and Terry A. King.
19. On or about July, 2002, E. Perry King and Terry A. King signed an affidavit similar to the Mason affidavit and caused the same to be forwarded to the FDIC fraudulently representing that the Canton Loan had previously been paid off.
20. At all times relevant hereto Mason and the Kings knew that the Canton Loan had never been satisfied, and that it was due and owing to NHL.
21. As of July, 2002, the Canton Loan was still outstanding.
22. As of July, 2002, the Canton Loan was no longer held, serviced, nor otherwise

owned by the FDIC. Instead, the Canton Loan was owned by NHL.

23. On July 19, 2002, the FDIC, as Receiver, issued a Satisfaction of Mortgage for the Canton Street Mortgage "For value received, the sufficiency of which is hereby acknowledged, Holder of the Note and Mortgage acknowledges satisfaction of the said Note and Mortgage and surrenders the same as cancelled, and empowers, authorizes and directs the County Recorder to cancel same of record." (Exhibit G).
24. By issuing a satisfaction of mortgage on July 19, 2002, recorded on August 1, 2002, and granting a release of mortgage obligations to E. Perry King and Terry A. King after previously selling and otherwise transferring the mortgage asset to South Star, FDIC harmed NHL. FDIC did not own or otherwise control the 19 Canton Street Loan at the time the satisfaction of mortgage was granted, and had written documentation within its control evidencing that FDIC had previously transferred and sold the mortgage asset to another entity.
25. Upon information and belief, Sandra S. Katz obtained title to the property at 19 Canton Street on or about January 28, 2004.
26. On July 8, 2004, NHL, through its counsel, gave notice of default and intention to foreclose to the Kings and the current owner, Sandra S. Katz.
27. On July 23, 2004, E. Perry King, through his attorney, notified NHL's counsel that the note had been allegedly satisfied and discharged. (See Exhibit H).

COUNT I - FRAUD, DECEIT AND MISREPRESENTATION
AGAINST E. PERRY KING, ALAN MASON AND
ALAN MASON LEGAL SERVICES, INC.

28. NHL repeats and reavers each and every allegation of Paragraphs 1 through 27 as if the same were set forth herein.
29. E. Perry King, Terry A. King, Alan Mason and the Mason Entities intentionally misrepresented facts and information to the FDIC in order to fraudulently obtain a discharge of mortgage for the Canton Loan.
30. Those representations were false in fact and known to be false when made by E. Perry King, Terry A. King, Alan Mason and the Mason Entities at the time they were so made.
31. By reason of the foregoing misrepresentations, NHL suffered damage and E. Perry King, Alan Mason, and the Mason Entities profited, and were unjustly enriched thereby.

COUNT II - FRAUD, DECEIT AND MISREPRESENTATION
AGAINST FDIC AND USA

32. NHL repeats and reavers each and every allegation of Paragraphs 1 through 31 as if the same were set forth herein.
33. FDIC/USA assigned the Canton Loan after acquiring the rights to the Loan through its status as a receiver of a failed banking institution effective in 1993.
34. NHL relied upon the assignment in acquiring the Canton Loan as an asset.
35. By issuing a satisfaction of mortgage for the Canton Loan in 2002, FDIC/USA deceived NHL.
36. Those representations were false in fact and known to be false by FDIC/USA based

on information known by FDIC/USA.

37. By reason of the foregoing misrepresentations and deceit, NHL suffered damage and FDIC/USA profited, and was unjustly enriched thereby.

COUNT III - VIOLATIONS OF G.L.c. 93A, 11
AGAINST ALL THIRD PARTY DEFENDANTS

38. NHL repeats and reavers each and every allegation of Paragraphs 1 through 37 as if the same were set forth herein.
39. At all times relevant hereto, the third-party defendants were engaged in the conduct of trade and commerce within the Commonwealth of Massachusetts.
40. That the actions of the third-party defendants as alleged herein are unfair and deceptive acts or practices as those terms are defined under G.L. c.93A, §2, the "Consumer Protection Act".
41. That the unfair and deceptive acts or practices complained of herein were committed in a willful, wanton and knowing manner.
42. That NHL has been greatly harmed and injured by the actions and practices of the third-party defendants as alleged herein.

COUNT IV - VIOLATIONS OF 28 U.S.C. CHAPTER 171
FEDERAL TORT CLAIMS PROCEDURE
AGAINST FDIC/USA

43. NHL repeats and reavers each and every allegation of Paragraphs 1 through 42 as if the same were set forth herein.
44. On or about July 29, 2004, NHL sent written notice pursuant to 28 U.S.C. §2675 to FDIC, presenting its claim for loss to the federal agency. Thereafter, in October,

2004, NHL was named a defendant in the present action, and service was accomplished for the Complaint against NHL in November, 2004.

45. FDIC/USA was negligent in issuing a satisfaction of mortgage for the Canton Loan.
46. FDIC/USA, as the receiver of a failed bank, and as an assignor of a loan asset, owed a duty to assignees of the Canton Loan, including NHL.
47. When negligently issuing the Satisfaction of Mortgage, the FDIC/USA knew or should have known and/or had in its possession documentation indicating that the Canton Loan was no longer owned by the FDIC/USA, as the Loan had been previously sold and assigned.
48. FDIC/USA breached its duty to NHL by issuing a satisfaction of mortgage when in fact the FDIC/USA had no right, title, or interest in the Canton Loan.
49. NHL suffered damage resulting from the issuing of the satisfaction of mortgage.

COUNT V – NEGLIGENCE AGAINST
ALAN MASON AND THE MASON ENTITIES

50. NHL repeats and reavers each and every allegation of Paragraphs 1 through 49 as if the same were set forth herein.
51. Alan Mason and the Mason Entities owed a duty to NHL to not interfere or terminate the legal property rights owned by NHL.
52. Alan Mason and the Mason Entities breached that duty by requesting a discharge of mortgage of the Canton Loan, without proper investigation as to the validity of E. Perry King and Terry A. King's claims that the Canton Loan in fact was paid off.
53. NHL, as the owner by assignment of the Canton Loan, was damaged by the negligence of Alan Mason and the Mason Entities and suffered great harm as a

result thereof.

COUNT VI
INTERFERENCE WITH ADVANTAGEOUS BUSINESS RELATIONS
AGAINST ALAN MASON AND ALAN MASON LEGAL SERVICES, INC.

54. NHL repeats and reavers each and every allegation of Paragraphs 1 through 53 as if the same were set forth herein.
55. NHL had business relationships with assignees of the FDIC, which assignees transferred certain property and ownership rights to NHL for the Canton Loan.
56. Alan Mason and the Mason Entities interfered with the business relationship which was to benefit NHL.
57. NHL directly suffered financial loss and damages resulting from the conduct of Alan Mason and the Mason Entities.

COUNT VII
INTERFERENCE WITH ADVANTAGEOUS BUSINESS RELATIONS
AGAINST FDIC/USA

58. NHL repeats and reavers each and every allegation of Paragraphs 1 through 57 as if the same were set forth herein.
59. NHL had business relationships with assignees of the FDIC, and business relations with the mortgagors, E. Perry King and Terry A. King, in connection with the property and ownership rights for the Canton Loan.
60. FDIC/USA interfered with the business relationship which was to benefit NHL.
61. NHL directly suffered financial loss and damages resulting from the conduct of FDIC/USA.

COUNT VIII
SLANDER OF TITLE AGAINST FDIC/USA

62. NHL repeats and reavers each and every allegation of Paragraphs 1 through 61 as if the same were set forth herein.
63. In issuing a satisfaction of mortgage for the Canton Loan, FDIC/USA published a false statement which was harmful to NHL's rights and interest.
64. FDIC/USA knew or should have known that the Canton Loan was sold by FDIC and that FDIC/USA held no right, title or interest in the Canton Loan at the time of the issuance of the Satisfaction of Mortgage.
65. FDIC/USA has or should have had documentation within its custody and control indicating that the Canton Loan was previously assigned to a different lender, the FDIC/USA should have recognized that it was harming NHL by knowingly issuing a false statement.

COUNT IX
SLANDER OF TITLE
AGAINST E. PERRY KING, ALAN MASON AND THE MASON ENTITIES

66. NHL repeats and reavers each and every allegation of Paragraphs 1 through 65 as if the same were set forth herein.
67. In fraudulently requesting the issuance of a discharge of mortgage for the Canton Loan, E. Perry King, Terry A. King, Alan Mason and the Mason Entities assisted the FDIC/USA in publishing a false statement which was harmful to NHL's rights and interest.
68. E. Perry King, Alan Mason and the Mason Entities harmed NHL by knowingly issuing a false statement in the form of signed affidavits to obtain a discharge.

COUNT X - TAKING WITHOUT JUST COMPENSATION
42 U.S.C. §1983 AGAINST FDIC/USA

69. NHL repeats and reavers each and every allegation of Paragraphs 1 through 68 as if the same were set forth herein.
70. The conduct of the FDIC/USA deprived NHL of rights and privileges of just compensation for the taking of private property for public use otherwise guaranteed by the United States Constitution, Fifth and Fourteenth Amendments.
71. The conduct of FDIC/USA was committed while acting under the color of state law.
72. NHL was injured by this action.
73. Due to FDIC/USA's actions, the interest owned by NHL in the Canton Loan was compromised and harmed.

WHEREFORE, NHL prays of the Honorable Court as follows:

Pursuant to Count I:

1. Enter judgment and award and assess actual damages in favor of the Plaintiff and against Defendants in an amount to be determined at trial; and,
2. Assess interest thereon, plus costs, including reasonable attorney fees, and court costs; and,

Pursuant to Count II:

3. Enter judgment and award and assess actual damages in favor of the Plaintiff and against Defendants in an amount to be determined at trial; and,
4. Assess interest thereon, plus costs including reasonable attorney fees, and court costs; and,

Pursuant to Count III:

5. Enter judgment and award and assess actual damages in favor of the Plaintiff and against Defendants in an amount to be determined at trial; and,

6. Grant relief and/or award damages to the Plaintiff with the form or amount to be determined at trial; and,

7. Double or treble such amount as provided by G.L. c.93A; and,

8. Award interest, costs, and attorney's fees to the Plaintiffs; and,

Pursuant to Count IV:

9. Enter judgment and award and assess actual damages in favor of the Plaintiff and against Defendants in an amount to be determined at trial; and,

10. Assess interest thereon, plus costs including reasonable attorney fees, and court costs; and,

Pursuant to Count V:

11. Enter judgment and award and assess actual damages in favor of the Plaintiff and against Defendants in an amount to be determined at trial; and,

12. Assess interest thereon, plus costs including reasonable attorney fees, and court costs; and,

Pursuant to Count VI:

13. Enter judgment and award and assess actual damages in favor of the Plaintiff and against Defendants in an amount to be determined at trial; and,

14. Assess interest thereon, plus costs including reasonable attorney fees, and court costs; and,

Pursuant to Count VII:

15. Enter judgment and award and assess actual damages in favor of the Plaintiff and against Defendants in an amount to be determined at trial; and,

16. Assess interest thereon, plus costs including reasonable attorney fees, and court costs; and,

Pursuant to Count VIII:

17. Enter judgment and award and assess actual damages in favor of the Plaintiff and against Defendants in an amount to be determined at trial; and,

18. Assess interest thereon, plus costs including reasonable attorney fees, and court costs; and,

Pursuant to Count IX:

19. Enter judgment and award and assess actual damages in favor of the Plaintiff and against Defendants in an amount to be determined at trial; and,

20. Assess interest thereon, plus costs including reasonable attorney fees, and court costs; and,

Pursuant to Count X:

21. Enter judgment and award and assess actual damages in favor of the Plaintiff and against Defendants in an amount to be determined at trial; and,

22. Assess interest thereon, plus costs including reasonable attorney fees, and court costs; and,

General Prayers:

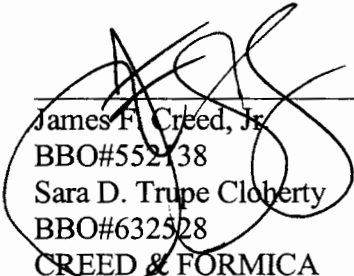
23. Otherwise assess and award the Plaintiff interest, costs, and reasonable attorney's fees as against Defendants; and,

24. Such other and further relief as this court deems just and proper.

**PLAINTIFF CLAIMS THE RIGHT OF TRIAL BY JURY
ON ALL COUNTS AND CLAIMS SO TRIABLE OF RIGHT**

Respectfully submitted,
Donna Lee H. Williams,
Insurance Commissioner of
the State of Delaware As
Receiver of National Heritage
Life Insurance Company in

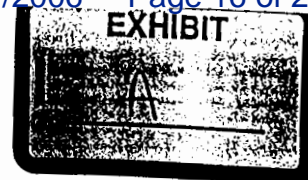
By her attorneys,



James F. Creed, Jr.
BBO#552138
Sara D. Trupe Cloherty
BBO#632528
CREED & FORMICA
1329 Highland Avenue
Needham, MA 02492
(781) 449-4600

Dated: 12/27/04

A true copy by photostatic process
Attest: 
Asst. Clerk



10200

PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, jointly and severally, promise to pay to THE HOME NATIONAL BANK OF MILFORD, a banking association duly established under the laws of the United States of America, or order, at said Bank, or such other place as the holder of the Note may designate, the principal sum of ONE HUNDRED TWELVE THOUSAND AND 00/100 (\$112,000.00) DOLLARS, IN TWENTY (20) YEARS, with interest computed daily at a rate of TEN AND THREE QUARTERS (10.75%) PERCENT PER ANNUM on all unpaid balances of said principal sum, with monthly payments of principal and interest of ONE THOUSAND ONE HUNDRED THIRTY SEVEN AND 07/100 (\$1,137.07) DOLLARS made on the 27th day of each month and continuing on the 27th day of each month thereafter until all principal and interest is paid in full. Notwithstanding the foregoing sentence, the holder of this Note shall have the right to adjust the rate of interest payable hereunder one (1) YEAR from the date of this Note and every one (1) YEAR thereafter. In the event that an adjustment is to be made in the interest rate, the holder shall give the maker at least 15 days written notice prior to the effective date of the adjustment and shall include an explanation of the adjustment and the notice. Failure by the Bank to notify the maker of this adjustment does not preclude the Bank from making this adjustment. The adjustment shall be made to a rate of TWO (2%) PERCENT above the then current base loan rate of The First National Bank of Boston. Any adjustment shall be effected by an increase or decrease, as the case may be, in the periodic payment amounts commencing with the first payment due after the effective date of the change. A fee of \$187.00 shall be paid by the Borrower at the time of the loan closing.

Each payment shall be credited first to interest than due, and the remainder to principal. The mortgage given hereunder is also to secure any future advances, and it is agreed by the Borrower that any future advances are deemed to be given in contemplation of this loan.

If this note is prepaid within three (3) years from the date hereof, such prepayment shall be accompanied by a charge equal to a percentage of the then outstanding principal balance which percentage, to the extent permitted by law, shall be three (3%) percent for the period of one (1) year from the date hereof and shall decrease by one percent (1%) on each anniversary date of this Note to one (1%) percent in the third (3rd) year.

This Note is secured by a Mortgage and Security Agreement of the Borrower of even date herewith (the "Mortgage") covering certain real estate located at 19 Canton Street, Worcester, County of Worcester, Massachusetts, (the "Mortgaged Premises"), which, together with any other instrument securing this Note, being hereinafter collectively referred to as the

"Security Instruments". This Note is entitled to the benefits of the Security Instruments and specific reference is hereby made to such instruments for all purposes.

Upon occurrence of (which events shall be an Event of Default hereunder):

(i) the failure of Borrower to make any payment hereunder within thirty (30) days after the same is due or

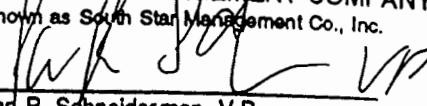
(ii) an Event of Default as described and defined in any of the Security Instruments, or any other instrument evidencing any indebtedness of the Borrower to the Lender and the expiration of any period provided in such instrument to cure such default, then the holder hereof may declare the entire unpaid principal balance hereunder immediately due and payable without notice, demand or presentment and may exercise any of its rights under the Security Instruments. In the event that the Lender or any subsequent holder of this Note shall exercise or endeavor to exercise or endeavor to exercise any of its remedies hereunder or under the Security Instruments, the Borrower shall pay on demand all reasonable costs and expenses incurred in connection therewith, including, without limitation, reasonable attorney's fees and the Lender may take judgement for all such amounts in addition to all other sums due hereunder, Irrespective of the exercise or non-exercise of any of the aforesaid rights, if any payment of principal or interest hereunder is not paid in full within fifteen (15) days after the same is due, the Borrower shall pay to the Lender a late charge on such unpaid amount equal to five (5%) percent of such late payment.

The Borrower waives presentment for payment, protest and demand, and notice of protest, demand and/or dishonor and non-payment of this Note, notice of any Event of Default under the Security Instruments except as specifically provided therein, and all other notices or demands otherwise required by law that the Borrower may lawfully waive. The Borrower expressly agrees that this Note, or any payment hereunder, may be extended from time to time, without in any way affecting the liability of the Borrower. No unilateral consent or waiver by the Lender with respect to any action or failure to act which, without consent, would constitute a breach of any provision of this Note shall be valid and binding unless in writing and signed by the Lender.

The rights and obligations of the Borrower and all provisions hereof shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

All agreements between the Borrower and the Lender are hereby expressly limited so that in no contingency or event whatsoever, whether by reason of acceleration of maturity of the indebtedness evidenced hereby or otherwise, shall the amount paid or agreed to be paid to the Lender for the use, forbearance or detention of the indebtedness evidenced hereby exceed the maximum

Pay to the order of National Housing Exchange, Inc.,
 WITHOUT RECOURSE
 SOUTH STAR MANAGEMENT COMPANY, INC.
 also known as South Star Management Co., Inc.

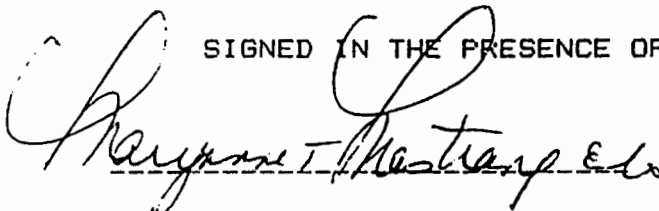
By: 
 Jan R. Schneiderman, V.P.

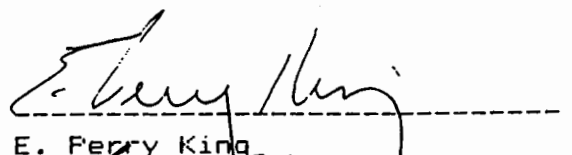
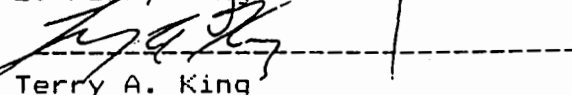
permissible under applicable law. As used herein, the term "applicable law" shall mean the law in effect as of the date hereof, provided, however, that in the event there is a change in the law which results in a higher permissible rate of interest, then this Note shall be governed by such new law as of its effective date. In this regard, it is the intent of Borrower and Lender in the execution, delivery and acceptance of this Note to contract in strict compliance with the laws of the Commonwealth of Massachusetts from time to time in effect. If, from any circumstances whatsoever, fulfillment of any provision hereof or of any of the Security Instruments at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by law, than the obligation to be fulfilled shall automatically be reduced to the limit of such validity, and if from any circumstances the Lender should ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the principal balance evidenced hereby and not to the payment of interest. This provision shall control every other provision of all agreements between the Borrower and the Lender.

The Borrower shall remain primarily liable on this Note and the Security Instruments until full payment, unaffected by an alienation of the Mortgaged Premises, by an agreement or transaction between the Lender any subsequent owner or assignee of the Mortgaged Premises as to payment of principal, interest or other monies, by any forbearance or extension of time, guaranty or assumption by others, or by any other matter, as to all of which notice is hereby waived by the Borrower.

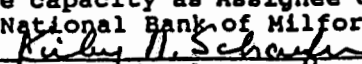
This instrument shall take effect as a sealed instrument on this 27th day of Jan. 1988, and shall be governed by the laws of the United States of America, and the Commonwealth of Massachusetts.


SIGNED IN THE PRESENCE OF:


 Raymond T. Mastropasqua
 to Paul


 E. Perry King

 Terry A. King

Pay to the order of South Star Management Co., Inc. Without Recourse.

FEDERAL DEPOSIT INSURANCE CORPORATION in its corporate capacity as Assignee of the Receiver of Home National Bank of Milford.
 By: 
 Kirby N. Schaefer
 Title: Attorney-in-fact

Pay to the order of Continental Stock Transfer & Trust Company,
 WITHOUT RECOURSE
 NATIONAL HOUSING EXCHANGE, INC.
 By: 
 Albert J. Sonnenblik, V.P.



MORTGAGE

E. PERRY KING AND TERRY A. KING (the "Mortgagor"), having a principal place of business at 188 Route 146 Sutton, Massachusetts, FOR CONSIDERATION PAID GRANT(S) TO THE HOME NATIONAL BANK OF MILFORD, a national banking association (the "Mortgagee"), whose address is 221 Main Street, Milford, Worcester County, Massachusetts 01757;

WITH MORTGAGE COVENANTS, to secure the payment of the indebtedness described in Paragraph 10 below (the "Obligation"), the property described in Exhibit A annexed hereto and by this reference made a part hereof (the "Property"):

Together with (a) insofar as the same are or can be by agreement of the parties be made a part of the Property, all fixtures and appliances now or hereafter attached to, placed on, installed in or used in any way in connection with the Property and/or buildings and structures thereon, including without being limited to, portable or sectional buildings; screens, awnings, screen doors, storm and other detachable windows and doors; window shades and blinds; inlaid or attached floor coverings; boilers, tanks, furnaces, radiators, water heaters, elevators, fire and other alarm systems, cooling towers and compressors; heating, lighting, plumbing, gas, electric, ventilating, refrigerating, air conditioning, ice making, sprinkler and incinerating controls, apparatus and equipment; garbage and trash incinerators and receptacles, ovens, boilers, stoves, refrigerators, dishwashers, washing machines, driers, television antennas; fences and partitions; trees and hardy shrubs; all of which fixtures, including accessories and additions thereto and replacements thereof, are hereby declared and shall be deemed to be accessory to the freehold and a part of the Property as between the parties hereto, their successors and assigns and all persons claiming by, through, or under them, and shall constitute security for the Obligation and be subject to this Mortgage; (b) all improvements now or hereafter erected on the Property; and (c) all easements, rights, appurtenances, rents, water and water rights.

All of the foregoing being hereinafter sometimes referred to as the "mortgaged premises."

AND Mortgagor (a) herewith assigns to Mortgagee all future rents and profits from the mortgaged premises, provided, however, until default under the Obligation, this Mortgage, or the other instruments securing the Obligation or otherwise executed in connection therewith, Mortgagor may continue to collect and retain such rents and profits as they become due and payable; (b) shall perform and observe all the obligations imposed upon it under any lease of the mortgaged premises or any portion thereof, and shall not do, or permit to be done, anything to impair the security thereof; and, in addition to the obligations contained

19 CANTON ST., WORCESTER, MA.

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elsewhere herein, if such leases shall include any residential units, Mortgagor shall conform to any law or regulation applicable thereto; and (c) agrees that if the Obligation shall become due and payable in accordance with the terms hereof, it will, upon demand of the Mortgagee, assign any and all leases of the mortgaged premises then existing to the Mortgagee, and agrees that after such assignments Mortgagee may modify and otherwise deal with such leases as if the owner of the mortgaged premises.

The Mortgagor, for the Mortgagor and the Mortgagor's successors and assigns, covenants and agrees in addition to the STATUTORY CONDITION:

1. To keep the buildings, structures, improvements and fixtures now or hereafter standing on the mortgaged premises insured against fire with extended coverage and/or such other perils as the Mortgagee shall reasonably request in such amounts and companies and in such forms as shall be satisfactory to the Mortgagee, all insurance to be for the benefit of and payable in case of loss to the Mortgagee and the Mortgagor as their interests may appear of record and to contain a provision that it shall not be cancelled or modified without at least ten (10) days prior written notice to the Mortgagee; to pay or cause to be paid when due all premiums for such insurance and, upon demand, to pay the same to the Mortgagee in the manner provided in Paragraph 2 with respect to taxes; that the Mortgagee is hereby authorized, at the expense of the Mortgagor, to obtain and/or renew any such insurance, and to do all necessary acts therefor in the name of the Mortgagor; to do no act, nor suffer any to be done, that shall cause, directly or indirectly, any such insurance to be void or vacated in whole or in part; and to deliver to the Mortgagee, at any time upon the Mortgagee's request, all insurance policies or memoranda thereof and to deliver to the Mortgagee new policies or memoranda thereof for any insurance about to expire at least ten (10) days prior to such expiration (hereby granting to the Mortgagee in the event of foreclosure, full authority, as attorney irrevocable of the Mortgagor, to cancel such insurance and retain the return premiums thereof and apply the same to the satisfaction of the Obligation or to transfer such insurance to any person claiming title to the mortgaged premises or any part thereof by virtue of foreclosure proceedings).

2. To pay or cause to be paid when due all taxes, charges, assessments and rates with respect to the mortgaged premises to whomsoever laid or assessed; and, upon demand, to deposit with Mortgagee on each day that periodic payments are required by the terms of the Obligation, in addition to the payments of principal and interest provided therein, a sum equal to such fraction of the real estate taxes and betterment assessments for each year as shall be estimated by Mortgagee to be sufficient to provide in the aggregate, a sum adequate to pay said taxes and betterment assessments as and when they become due and payable, and, in addition, to deposit with Mortgagee any balance necessary to pay

in full said taxes and betterment assessments prior to the date when such taxes or betterment assessments become due and payable; and to forward to the Mortgagee real estate tax bills as soon as the same have been received by Mortgagor.

3. That the Mortgagor will not further encumber the mortgaged premises; and that, in the event the ownership of or title to the mortgaged premises or any part thereof shall become vested in any person other than the Mortgagor without the prior written consent of the Mortgagee, then at any time thereafter, at the option of the Mortgagee, the Obligation shall become due and payable on demand, and the Mortgagee may, without notice to the Mortgagor, deal with any successor in interest with reference to the Mortgage and the Obligation in the same manner as with the Mortgagor without in any way vitiating or discharging the Mortgagor's liability hereunder or upon the Obligation. No sale of the mortgaged premises, no forbearance on the part of the Mortgagee, no extension (whether oral or in writing) of the time for the payment and satisfaction of the whole or any part of the Obligation, and no other indulgence given by the Mortgagee to any person other than the Mortgagor, shall operate to release or in any manner affect the original liability of the Mortgagor, notice of any thereof being waived. The proceeds of any award for damages in connection with any condemnation or other taking of the mortgaged premises or any part thereof, or for conveyance in lieu of condemnation are hereby assigned and shall be paid to the Mortgagee. If the mortgaged premises are abandoned by the Mortgagor or if the Mortgagor fails, after thirty (30) days written notice from the Mortgagee to negotiate a reasonable settlement with the condemnor of an offer to make an award, the Mortgagee is authorized to collect and apply the proceeds of such an award at Mortgagee's option either to the restoration or repair of the mortgaged premises or to the Obligation.

4. That Mortgagee is hereby authorized at its option to pay all costs and expenses which it in good faith determines to be required or desirable to effect compliance with the agreements of the Mortgagor set forth herein or in the Obligation or to protect or maintain the mortgaged premises or Mortgagee's interest therein, such authorization to be in addition to and not in limitation of the rights of Mortgagee under law and under other applicable provisions hereof; and any sum so expended shall be deemed to be a principal advance and shall be equally secured with and be a part of the Obligation.

5. That the Mortgagor is now in a solvent condition and no bankruptcy or insolvency proceedings are pending or contemplated by or against the Mortgagor; and that the Obligation, this Mortgage and the other instruments securing the Obligation or otherwise executed in connection therewith are valid and binding obligations enforceable in accordance with their respective terms and the execution and delivery thereof do not contravene any contract or agreement to which the Mortgagor is a party or by which the Mortgagor or any of the Mortgagor's properties may be

bound or any law, order, decree or regulation to which the Mortgagor is subject.

6. To keep the mortgaged premises in the same repair, order and condition as the same now are or may hereafter be put, reasonable wear and tear only excepted; not to permit or suffer any strip or waste of the mortgaged premises, nor any material change therein, nor any violation of any law or ordinance affecting the same or the use thereof; not to allow to lapse or be revoked any licenses or other governmental authorizations issued to Mortgagor or to any affiliate for the operation of any business on the mortgaged premises; to permit Mortgagee, upon reasonable notice to Mortgagor, to make entry upon and inspect the mortgaged premises; and Mortgagor shall, at Mortgagee's request at reasonable intervals, demonstrate compliance with this and other covenants of this Mortgage.

7. At the option of the Mortgagee, the Obligation shall become immediately due and payable, without notice or demand (a) upon the sale or transfer of any substantial portion of the mortgaged premises (and for purposes of the foregoing, both a transfer of a substantial portion of the beneficial ownership of the Mortgagor and a lease of any substantial portion of the mortgaged premises to or for the benefit of a single lessee for a term (including renewal or option periods) in excess of one (1) year, shall constitute such a sale or transfer giving the Mortgagee the right to accelerate hereunder); (b) in the event of a default in the performance or observance of the terms and provisions of the Obligation, this Mortgage and the other instruments securing the Obligation or otherwise executed in connection therewith; (c) in the event of a default under any other agreement of the Mortgagor in favor of the Mortgagee, whether now existing or hereafter arising; or (d) in the event of a default in the payment of the principal of or the interest on any other indebtedness of the Mortgagor continued for a period sufficient to permit the acceleration of the maturity of such indebtedness. Any forbearance by the Mortgagee in exercising any right or remedy hereunder or otherwise afforded by applicable law shall not be a waiver of or preclude the exercise of any such right or remedy. All remedies provided herein, in the Obligation and other instruments securing the Obligation shall be deemed to be cumulative remedies and may be exercised in any manner the Mortgagee elects.

8. That if any legal proceedings of any nature shall involve the Mortgagee's interest under this Mortgage, however such proceedings shall be commenced and whether or not such proceedings shall be completed, or if the Mortgagee shall enter into possession of the mortgaged premises, then the Mortgagee shall be entitled to collect (and the Mortgagor agrees to reimburse the Mortgagee on demand for) all costs and expenses, including attorneys' fees, incurred by the Mortgagee in any such proceeding or in the protection, care or management of the mortgaged premises; the Mortgagee shall be entitled to purchase the mortgaged premises at

any foreclosure sale; and that if surplus proceeds are realized from a foreclosure sale, the Mortgagee shall not be liable for any interest thereon pending distribution of such proceeds by the Mortgagee.

9. That, if the Mortgagee exercises the POWER OF SALE herein contained, then: the Mortgagee may sell the mortgaged premises in parcels; such sales may be held from time to time and said Power of Sale shall not be exhausted until all of the mortgaged premises shall have been sold, notwithstanding the Mortgagee's releasing, from time to time, certain such parcels which are a part or parts of the mortgaged premises; the Mortgagee may do all things and take any action, all in the name of the Mortgagor, which may be necessary to subdivide the mortgaged premises or any parcel included therein; and the Mortgagee may sell any or all of such parcels then subject to this Mortgage, notwithstanding that the proceeds of such sales may exceed the obligations secured by this Mortgage.

10. That this Mortgage is to secure the payment of the sum of \$ 112,000.00, together with interest thereon and all other charges, all as provided in a promissory note and/or guarantee of even date herewith given by Mortgagor to Mortgagee and also to secure the performance of all agreements and conditions herein contained and all other obligations now existing or hereafter arising of Mortgagor to Mortgagee, direct or indirect, absolute or contingent, as well as all other sums (with interest at the rate provided in said promissory note) advanced to or on behalf of Mortgagor by Mortgagee for any purpose, whether dependent or independent of this transaction, all of which shall be equally secured with and have the same priority as the original advance hereunder.

11. Other:

This Mortgage is upon the STATUTORY CONDITION, and upon the further condition that all agreements and covenants of the Mortgagor contained in the Obligation, in this Mortgage and in the other instruments securing the Obligation or otherwise executed in connection therewith, shall be kept and fully performed as therein provided, for any breach of which the Mortgagee shall have the STATUTORY POWER OF SALE.

IN WITNESS WHEREOF, the Mortgagor has executed this Mortgage under seal this 27th day of Jan, 1988

E. Perry King
E. PERRY KING

(Borrower)

Terry A. King
TERRY A. KING

(Borrower)

Commonwealth of Massachusetts

WORCESTER, SS.

Then personally appeared the above-named E. PERRY KING AND TERRY A. KING and acknowledged the foregoing instrument to be their free act and deed, before me.

Marjorie Proctor
Notary Public

My Commission Expires 6/10/88

SCHEDULE A

Worcester, Worcester County, Massachusetts, in the southerly part thereof, in the section known as Irvington, on the southerly side of Canton Street, shown as Lot 17 on a plan of lots drawn for the Ballard Land Company by Buttrick & Pratt, recorded in Book 1537, Page 653 and bounded and described as follows:

BEGINNING at a stone monument set at the northwesterly corner of the herein described premises on the southerly side of Canton Street, formerly known as Albion Avenue;

THENCE southerly by Lot 18, a distance of 100 feet to a stone monument;

THENCE easterly by Lot 35 and Lot 36, a distance of 50 feet to a stone monument;

THENCE northerly by Lot 16, a distance of 100 feet to a stone monument on the southerly side of said Canton Street, formerly Albion Avenue;

THENCE westerly by said Canton Street 50 feet to the point of beginning.

For our Title see Book 8344 Page 333 .

ATTEST: WORC., Anthony J. Vigliotti, Register

SCHEDULE A

Worcester, Worcester County, Massachusetts, in the southerly part thereof, in the section known as Irvington, on the southerly side of Canton Street, shown as Lot 17 on a plan of lots drawn for the Ballard Land Company by Buttrick & Pratt, recorded in Book 1537, Page 653 and bounded and described as follows:

BEGINNING at a stone monument set at the northwesterly corner of the herein described premises on the southerly side of Canton Street, formerly known as Albion Avenue;

THENCE southerly by Lot 18, a distance of 100 feet to a stone monument;

THENCE easterly by Lot 35 and Lot 36, a distance of 50 feet to a stone monument;

THENCE northerly by Lot 16, a distance of 100 feet to a stone monument on the southerly side of said Canton Street, formerly Albion Avenue;

THENCE westerly by said Canton Street 50 feet to the point of beginning.

For our Title see Book 8344 Page 333 .

ATTEST: WORC., Anthony J. Vigliotti, Register

Record and Return to:
Blutrich, Herman & Miller
Two Park Avenue
New York, NY 10016
Attn: Michael Blutrich, Esq.

ASSIGNMENT OF MORTGAGE

FEDERAL DEPOSIT INSURANCE CORPORATION, in its corporate capacity as Assignee of the Receiver of The Home National Bank of Milford, Milford, Massachusetts, holder of a mortgage from E. Perry King and Terry A. King to The Home National Bank of Milford dated January 27, 1988 and recorded on January 28, 1988 in the Worcester District Registry of Deeds as Instrument No. 7662 in Book 11097 at Page 122, hereby assigns said mortgage and the Note and claim secured thereby to **SOUTH STAR MANAGEMENT COMPANY, INC.**, a Florida corporation also known as South Star Management Co., Inc., having a mailing address at 5005 Collins Avenue, Suite 1507, Miami, Florida 33140.

FEDERAL DEPOSIT INSURANCE CORPORATION was appointed in its corporate capacity as ^{Assignee of the} Receiver of The Home National Bank of Milford on June 1, 1990. See documents recorded in said Registry of Deeds in Book 12950 at Page 364.

For authority for the execution of this Assignment, see Power of Attorney recorded in said Registry of Deeds in Book 15369 at Page 54.

IN WITNESS WHEREOF, the **FEDERAL DEPOSIT INSURANCE CORPORATION** has caused these presents to be signed, acknowledged and delivered in its name and behalf by Kirby N. Schaefer, its duly appointed Attorney-in-Fact, this 29 of March, 1994, but effective as of December 17, 1993.

FEDERAL DEPOSIT INSURANCE CORPORATION in its corporate capacity as ^{Assignee of the} Receiver of The Home National Bank of Milford

By: Kirby N. Schaefer
Attorney-in-Fact

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, SS

Then personally appeared the above named Kirby N. Schaefer, Attorney-in-Fact, and acknowledged the foregoing instrument to the free act and deed of the **FEDERAL DEPOSIT INSURANCE CORPORATION**.

My commission expires:

7-1-99

[Signature]
Notary Public

Record and Return to:
Blutrich, Herman & Miller
Two Park Avenue
New York, NY 10016
Attn: Michael Blutrich, Esq.

ASSIGNMENT OF MORTGAGE

SOUTH STAR MANAGEMENT COMPANY, INC., a Florida corporation also known as South Star Management Co., Inc. ("Assignor"), having a mailing address at 5005 Collins Avenue, Suite 1507, Miami, Florida 33140, holder of a mortgage from E. Perry King and Terry A. King to The Home National Bank of Milford dated January 27, 1988 and recorded on January 28, 1988 in the Worcester District Registry of Deeds as Instrument No. 7662 in Book 11097 at Page 122, hereby assigns said mortgage and the Note and claim secured thereby to **NATIONAL HOUSING EXCHANGE, INC.**, a North Carolina corporation, having a mailing address at 620 South Elm Street, Suite 363, Greensboro, North Carolina 27606.

This Assignment is made without recourse to Assignor and without representation or warranty by Assignor, express or implied.

IN WITNESS WHEREOF, Assignor has caused these presents to be signed by its duly authorized officer on this 18th day of March, 1994, but effective as of December 28, 1993.

SOUTH STAR MANAGEMENT COMPANY, INC.
a/k/a South Star Management Co., Inc.

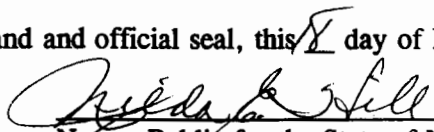
By: 

Jan R. Schneiderman, Vice President

STATE OF NEW YORK)
) SS.
COUNTY OF NEW YORK)

The undersigned, a notary public in and for the aforesaid County, does hereby acknowledge that on the day and year set forth below, personally appeared Jan R. Schneiderman, as Vice President of South Star Management Company, Inc., as specified above, and being duly sworn by and personally known to the undersigned to be the person who executed the foregoing instrument on behalf of said corporation, acknowledged to the undersigned that he voluntarily executed the same for the purposes therein stated as the free act and deed of said corporation.

WITNESS my hand and official seal, this 18 day of March, 1994.



Notary Public for the State of New York

[SEAL]

My Commission Expires:

NILDA E. HILL
Notary Public, State of New York
No. 00-478660 Bronx County
Cert. filed with New York County Clk.
Commission Expires November 30, 1995

BOOK 19167 PAGE 306

PLEASE RETURN TO: CREED & FORNICA, ATTYS.
1254 CHESTNUT STREET
NEWTON UPPER FALLS, MA 02464

INST #

98905

SUFFOLK, ss.

COMMONWEALTH OF MASSACHUSETTS
SUPERIOR COURT DEPARTMENT
CIVIL ACTION NO. 97-02013 B

DONNA LEE H. WILLIAMS, INSURANCE
COMMISSIONER OF THE STATE OF DELAWARE,
AS RECEIVER OF NATIONAL HERITAGE LIFE
INSURANCE COMPANY IN LIQUIDATION,
Plaintiff,

v.

NATIONAL HOUSING EXCHANGE, INC.,
APX MORTGAGE SERVICES, INC.,
RESOURCE ASSET MANAGEMENT, INC. and
SOUTH STAR MANAGEMENT CORPORATION,
Defendants.

JUDGMENT BY DEFAULT

This action came on for hearing before the Court, ROBERT J.,
presiding, upon the marking of Plaintiff, Donna Lee H. Williams,
Insurance Commissioner of the State of Delaware as Receiver of
National Heritage Life Insurance Company in Liquidation
(hereinafter, "NHL") in the above entitled action, for a default
judgment by the court, pursuant to Rule 55(b)(2) of Mass. R. Civ.
P., and it appearing to the court that the Complaint in said action
was filed on the 17th day of April, 1997, and that no answer or
other defense has been filed by the said defendants, National
Housing Exchange, Inc. and Resource Asset Management, Inc., and
that default was entered on the 12th day of JUNE 1997,
in the office of the clerk of this court, and that no proceedings
have been taken by the said defendant since said default was
entered, it is ordered and adjudged, that judgment by default enter
as against the Defendants, National Housing Exchange, Inc. and
Resource Asset Management, Inc. on Counts I, II and III of NHL's
Complaint, in accordance with the Prayers of that Complaint,
thereby recognizing and giving effect to the following judgments in
Massachusetts:

97SEP 15 PM 1:45

RETURN TO:
CREED & FORNICA
1254 CHESTNUT ST
NEWTON UPPER FALLS, MA 02464

JUDGMENT ENTERED ON DOCKET: JUNE 16, 1997
PURSUANT TO THE PROVISIONS OF MASS. R. CIV. P. 54E
AND NOTICE SENT TO PARTIES PURSUANT TO THE PRO-
VISIONS OF MASS. R. CIV. P. 77C AS FOLLOWS:

A TRUE COPY OF JUDGMENT DULY ENTERED ON

6/16/97

OK
ADV

alice
sent
6/16/97
PC
+ F

United States District Court

COMMUNICATIONS

CHICAGO, ILL.

RECEIVED BY THE CHICAGO DISTRICT COURT FOR THE
RECORDING OF DEEDS OF THE CHICAGO DISTRICT COURT FOR THE
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RECEIVED BY THE CHICAGO DISTRICT COURT FOR THE

David E. W. [Signature]
Deputy Clerk

BOOK 19167 PAGE 308

SUFFOLK, ss.

COMMONWEALTH OF MASSACHUSETTS
SUPERIOR COURT DEPARTMENT
CIVIL ACTION NO. 97-02013 BDONNA LEE H. WILLIAMS, INSURANCE)
COMMISSIONER OF THE STATE OF DELAWARE,)
AS RECEIVER OF NATIONAL HERITAGE LIFE)
INSURANCE COMPANY IN LIQUIDATION,)
Plaintiff,)

v.)

NATIONAL HOUSING EXCHANGE, INC.,)
APX MORTGAGE SERVICES, INC.,)
RESOURCE ASSET MANAGEMENT, INC. and)
SOUTH STAR MANAGEMENT CORPORATION,)
Defendants.)

JUDGMENT BY DEFAULT

This action came on for hearing before the Court, Conrad J., presiding, upon the marking of Plaintiff, Donna Lee H. Williams, Insurance Commissioner of the State of Delaware as Receiver of National Heritage Life Insurance Company in Liquidation (hereinafter, "NHL") in the above entitled action, for a default judgment by the court, pursuant to Rule 55(b)(2) of Mass. R. Civ. P., and it appearing to the court that the Complaint in said action was filed on the 17'th day of April, 1997, and that no answer or other defense has been filed by the said defendants, National Housing Exchange, Inc. and Resource Asset Management, Inc., and that default was entered on the 12 day of JUNE 1997, in the office of the clerk of this court, and that no proceedings have been taken by the said defendant since said default was entered, it is ordered and adjudged, that judgment by default enter as against the Defendants, National Housing Exchange, Inc. and Resource Asset Management, Inc. on Counts I, II and III of NHL's Complaint, in accordance with the Prayers of that Complaint, thereby recognizing and giving effect to the following judgments in Massachusetts:

RETURN TO: CREED HARRIS, JR.
1254 CHESTNUT STREET
NEWTON HILLS, MA 02464

JUDGMENT ENTERED ON DOCKET June 16, 1997
PURSUANT TO THE PROVISIONS OF MASS. R. CIV. P. 55(b)(2)
AND NOTICE SENT TO PARTIES PURSUANT TO THE PRO-
VISIONS OF MASS. R. CIV. P. 77(d) AS FOLLOWS:

A TRUE COPY OF JUDGMENT DULY ENTERED ON

6/16/97

Notice
sent
6/16/97
JFC
+T

Prayer 1: The Chancery Court of the State of Delaware in and for New Castle County's Liquidation and Injunction Order in Civil Action No. 13530, dated November 21, 1995, a copy of which is attached hereto as Exhibit "A"; and,

Prayer 2: The United States District Court, Northern District of Illinois, Eastern Division's Amended Declaratory Judgment Order in No. 95 C 4243, dated April 12, 1996, *nunc pro tunc*, April 3, 1996, a copy of which is attached hereto as Exhibit "B"; and,

Prayer 3: The United States District Court, Northern District of Illinois, Eastern Division's Revised Order Regarding Massachusetts Mortgages No. 95 C 4243, dated February 20, 1997, a copy of which is attached hereto as Exhibit "C".

SO ORDERED:

Carol Ann

Superior Court Department

Dated: June 16, 1997

I HEREBY ATTEST AND CERTIFY ON
June 18, 1997, THAT THE
FOREGOING DOCUMENT IS A FULL
TRUE AND CORRECT COPY OF THE
ORIGINAL ON FILE IN MY OFFICE,
AND IN MY LEGAL CUSTODY.

MICHAEL JOSEPH DONOVAN
CLERK/MAGISTRATE
SUFFOLK/SUPERIOR CIVIL COURT
DEPARTMENT OF THE TRIAL COURT

BY: *John P. Ryan*

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IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY

ORIGINAL 42

IN THE MATTER OF THE)
REHABILITATION OF NATIONAL) C.A. No. 13530
HERITAGE LIFE INSURANCE COMPANY)

LIQUIDATION AND INJUNCTION ORDER

WHEREAS, the Honorable Donna Lee H. Williams, the Insurance Commissioner for the State of Delaware, heretofore appointed as the Receiver of the National Heritage Life Insurance Company in Rehabilitation by Order dated May 25, 1994 (the "Receiver"), has filed with the Court a petition seeking a Liquidation and Injunction Order concerning National Heritage Life Insurance Company ("National Heritage") pursuant to Title 18 Del. C. §5901, et seq.;

WHEREAS, a hearing on the financial status of National Heritage and for interested parties to show cause why National Heritage should not be declared insolvent and ordered liquidated was held by the Court on 11/21/95; and

WHEREAS, the Receiver has submitted evidence that National Heritage is insolvent, in that as of September 30, 1995, National Heritage's liabilities exceeded its assets by approximately \$214 million and that as of the hearing date, the negative surplus was approximately \$214 million.

NOW THEREFORE, the Court finds and IT IS HEREBY ORDERED as follows:

1. National Heritage is insolvent as that term is defined in 18 Del. C. §5901.
2. Sufficient cause exists for the liquidation of the respondent, National Heritage, pursuant to 18 Del. C. §§ 5906 and 5910 and a Liquidation and Injunction Order is hereby entered against National Heritage.

3. The May 25, 1994 Rehabilitation and Injunction Order and the June 27, 1994 Supplemental Rehabilitation Order entered by this Court in this matter are hereby superseded, upon entry of this Order, and the Commissioner shall continue to serve as Receiver of National Heritage for the purpose of liquidation as set forth below.

4. The appointment of the Honorable Donna Lee H. Williams, Commissioner of Insurance of the State of Delaware, and her successors in office, as the Receiver of National Heritage is hereby continued and the Receiver is hereby directed to immediately take or maintain her exclusive possession and control of and to continue or be vested with all right, title and interest in, of or to the property of National Heritage, including, without limitation, all of National Heritage's assets, contracts, rights of action, funds recoverable under treaties and agreements of reinsurance heretofore entered into by National Heritage as the ceding insurer, books, records, bank accounts, certificates of deposit, collateral securing obligations to, or for the benefit of, National Heritage or any trustee, bailee or any agent acting for, or on behalf of, National Heritage (collectively, the "Trustees"), securities or other funds, and all real or personal property of any nature of National Heritage including, without limitation, furniture, fixtures and office supplies, wherever located, and including such property of National Heritage or collateral securing obligations to, or for the benefit of, National Heritage or any Trustee thereof that may be discovered hereafter, and all proceeds of or accessions to any of the foregoing, wherever located, in the possession, custody or control of National Heritage or any Trustee therefore (collectively, the "Assets"), and to liquidate the same pursuant to the provisions of Chapter 59 of the Delaware Insurance Code, and the Receiver is further authorized

to take such actions as the nature of this cause and interests of the policyholders, creditors and stockholders of National Heritage and the public may require.

5. The Receiver is hereby authorized to continue to deal with the Assets, business and affairs of National Heritage, including, without limitation, the right to sue for, defend for or continue suits already commenced by the Receiver for National Heritage, or for the benefit of National Heritage's policyholders, stockholders and creditors, in the courts and tribunals, agencies or arbitration panels in this State and other states in her name as the Commissioner of Insurance of the State of Delaware, or in the name of National Heritage.

6. The filing or recording of this Order or a certified copy hereof with the Clerk of this Court and with the recorder of deeds of the jurisdiction in which National Heritage's corporate and administration offices are located, or, in the case of real estate, with the recorder of deeds of the jurisdictions where the property is located, shall impart the same notice as would be imparted by a deed, bill of sale or other evidence of title duly filed or recorded with that recorder of deeds. Without limiting the foregoing, the filing of this Order with the Clerk of this Court also constitutes notice to all sureties and fidelity bondholders of National Heritage of all potential claims against National Heritage under such policies and shall constitute the perfection of a lien in favor of National Heritage under the Uniform Commercial Code or any like Federal or state law, regulation or order dealing with the priority of claims.

7. Except as otherwise indicated elsewhere in this Order, and upon notice provided by the Receiver, all agents and brokers, former officers, former directors, stockholders and all other persons or entities now or prospectively holding Assets of, or on behalf of, National

Heritage shall forthwith file an accounting of these Assets with the Receiver and shall within ten (10) days of the entry of this Order, turn those Assets over to the Receiver.

8. The Receiver may, in her discretion, appoint or continue the appointment of a consultant or other person or persons to serve as Special Deputy Receiver(s) to assist the Receiver in accomplishing the directive of this Order. The Special Deputy Receivers shall serve at the pleasure of the Receiver and, subject to the approval of the Receiver, shall be entitled to exercise all of the powers and authorities vested in the Receiver pursuant to this Order and applicable law.

9. The Receiver may employ or continue to employ and fix the compensation of such deputies, counsel, clerks, employees, accountants, actuaries, consultants, assistants and other personnel (collectively, the "Designees") as considered necessary, and all compensation and expenses of the Special Deputy Receiver(s) and the Designees and of taking possession of National Heritage and conducting this proceeding shall be paid out of the funds and assets of National Heritage as administrative expenses under Title 18 Del. C. §5913(f). Each and every Designee shall be deemed to have submitted to the jurisdiction of this Court for the resolution of any disputes between the Receiver and such Designee concerning such Designee's rights, obligations and compensation.

10. The Receiver, the Special Deputy Receivers and the Designees (collectively, the "Indemnitees") shall have no personal liability for their acts or omissions in connection with their duties during the rehabilitation and liquidation periods, provided that such acts or omissions are or were undertaken in good faith and without willful misconduct, gross negligence or criminal intent. All expenses, costs and attorney's fees incurred by the Indemnitees in

connection with any lawsuit brought against them in their representative capacities shall be subject to the approval of the Receiver and shall be exclusively paid out of the funds and assets of National Heritage. The Indemnitees shall not be deemed to be employees of the State of Delaware.

11. The Receiver's right, title and interest in and to all funds recoverable under treaties and agreements of reinsurance heretofore entered into by National Heritage as the ceding insurer shall continue, and all reinsurance companies involved with National Heritage are enjoined and restrained from making any settlements with any claimant or policyholder of National Heritage other than the Commissioner as Receiver. The amounts recoverable by the Receiver from any reinsurer of National Heritage shall not be reduced as a result of this liquidation proceeding or by reason of any partial payment or distribution on a reinsured policy, contract or claim, and each such reinsurer of National Heritage is hereby enjoined and restrained from terminating, cancelling, failing to extend or renew, or reducing or changing coverage under any reinsurance policy or contract with National Heritage, except for non-payment of premium. The Receiver may terminate or rescind any contract with a reinsurer or reinsurers that is contrary to the best interests of the estate in liquidation.

12. The Receiver is hereby authorized to transfer National Heritage's assets and liabilities, to the extent such liabilities are not covered by a state guaranty association, to an affiliate, subsidiary or trust for the overall benefit of National Heritage's policyholders, other creditors, and stockholder, subject to approval by this Court.

13. The Receiver may change to her own name the name of any of National Heritage's accounts, funds or other property or assets held with any bank, savings and loan association or other financial institution, and may withdraw such funds, accounts and other property or assets from such institutions or take any lesser action necessary for the proper conduct of this liquidation.

14. The Receiver may reject any executory contract to which National Heritage is a party that the Receiver may in her discretion determine to be not in the best interest of National Heritage or is otherwise not in its best interest. Any party to a rejected contract may file a claim only for damages arising from such rejection in accordance with paragraph 18, below. All claims of policyholders enumerated in 18 Del. C. §5918(e) shall have priority over all non-policyholder claims arising from the rejection of executory contracts.

15. National Heritage, its former officers, former directors, stockholders, agents, servants and employees and all other persons having notice of these proceedings or of this Order are hereby prohibited from transacting any business of, or on behalf of, National Heritage or selling, transferring, destroying, wasting, encumbering or disposing of any of the Assets, without the prior written permission of the Receiver or until further Order of this Court.

16. All banks, brokerage houses, agents, reinsurers, or other companies or persons, either having in their possession Assets or possible Assets (including, without limitation, books or records of National Heritage), or having notice of these proceedings or of this Order, are hereby enjoined and restrained from disposing of, selling, wasting, encumbering, transferring or destroying any such Assets or possible Assets (including, without limitation, books or records of National Heritage). This prohibition includes, without limitation, Assets, possible Assets,

BOOK 19167 PAGE 316

books or records pertaining to any business transaction between National Heritage and any of said parties. No actions concerning, involving, or relating to such Assets, possible Assets, books or records may be taken by any of the aforesaid persons or entities enumerated herein, without the prior written consent of the Receiver, or until further Order of this Court.

17. All former officers, former directors, stockholders, agents, servants and employees of National Heritage, and all other persons and companies having notice of these proceedings or of this Order, are hereby enjoined and restrained from instituting or further prosecuting any action at law or in equity or in other proceedings against National Heritage, the Commissioner as Receiver, the Special Deputy Receiver(s) or the Designees in connection with their duties as such, or from obtaining preferences, judgments, attachments or other like liens or encumbrances, or foreclosing upon or making of any levy against National Heritage or the Assets, or exercising any right adverse to the right of National Heritage to or in the Assets, or in any way interfering with the Receiver, the Special Deputy Receiver(s) or the Designees either in their possession and control of the Assets, books, and records of National Heritage or in the discharge of their duties hereunder.

18. All persons and companies are hereby enjoined and restrained from asserting any claim against the Commissioner as Receiver of National Heritage, or against the Special Deputy Receiver(s) or the Designees in connection with their duties as such, or against the Assets, except insofar as such claims are brought in the liquidation proceedings of National Heritage.

19. The Court hereby imposes a temporary moratorium on payment of cash values, surrenders, policy loans or any other right to withdraw funds held in conjunction with the policies or contracts of National Heritage, in addition to the Receiver's and the state guaranty associations' right to implement any contractual provision for deferral of cash payment or policy loans, for a period of 120 days from the date of this Order, provided that any state guaranty association may voluntarily choose to permit a full or partial payment of cash values, surrenders, policy loans or any other right to withdraw funds for claims covered by the applicable state guaranty association law.

20. Within a reasonable time after receipt of a claim in the liquidation proceedings of National Heritage, the Receiver shall give notice by mail to any and all persons interested in such claim of the Receiver's proposed report and recommendation to the Court regarding the allowance or denial (in whole or in part) of such claim.

21. Within sixty (60) days of the mailing of the proposed report and recommendation, the interested person being given notice of such proposed report and recommendation may file a written objection thereto with the New Castle County Register in Chancery, 1000 King Street, Wilmington, Delaware, 19801, and the Receiver.

22. Within a reasonable time after such sixty (60) days, there being no objection to the proposed report and recommendation, the Receiver shall file with the Court such report and recommendation.

23. No hearing will be held regarding the proposed report and recommendation in the absence of a written objection thereto by a person interested therein.

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24. The Receiver shall provide semiannual reports on the financial condition of National Heritage and on the actions of the Receiver pursuant to this Order.

25. Hereafter the caption of this cause and all pleadings in this matter shall read as:

"IN THE MATTER OF THE LIQUIDATION OF
NATIONAL HERITAGE LIFE INSURANCE COMPANY"

26. This Court shall retain jurisdiction in this cause for the purpose of granting such other and further relief as this cause, the interests of the policyholders, creditors, stockholders of National Heritage Life Insurance Company, require. The Receiver, or any interested party upon reasonable notice to the Receiver, may at any time make application for such other and further relief as either sees fit.

27. On or before June 30, 1996, the Receiver shall mail a Notice of Liquidation and Bar Date and a proof of claim form to all known claimants and creditors or persons or entities reasonably believed to be claimants or creditors of National Heritage, by first class mail, postage prepaid, and obtain proof of such mailing on United States Postal Form 3606.

28. ANY AND ALL CLAIMS AGAINST THE NATIONAL HERITAGE LIFE INSURANCE COMPANY IN LIQUIDATION NOT PRESENTED TO THE RECEIVER ON OR BEFORE JUNE 30, 1997 SHALL BE FOREVER BARRED FROM SHARING IN DISTRIBUTIONS OF THE ASSETS OF NATIONAL HERITAGE UNLESS THERE IS A SURPLUS AND NATIONAL HERITAGE IS DEEMED SOLVENT PURSUANT TO 18 DEL. C. §5928(a)(2).

SO ORDERED this 21 day of May, 1995.

CERTIFIED
AS A TRUE COPY:

AGENT:

FRIDENIA B. COVERSTRAW
REGISTER IN DEED

By Lisa H. Neal
Deputy I

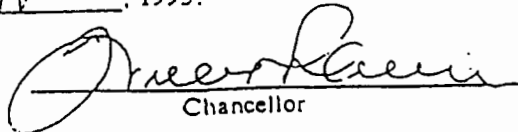

Chancellor

EXHIBIT A

Minute Order Form (rev. 12/90)

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge or Magistrate Judge	Elaine E. Bucklo	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	April 15, 1996
Case Title	Williams, et al. Vs. National Housing, et al.		

(In the following box (a) indicate the party filing the motion, e.g. plaintiff, defendant, 3rd party, etc., and (b) state briefly the nature of the motion being presented.)

MOTION:

DOCKET ENTRY:

(1)	Filed motion of (use listing in MOTION box above)	Sent for <u>NOTICE</u>
(2)	Brief in support of motion due	APR 15 1996
(3)	Answer brief to motion due	Reply to answer brief due
(4)	<input type="checkbox"/> Ruling on <input type="checkbox"/> Hearing	set for <u> </u> at <u> </u>
(5)	Status hearing <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for	at <u> </u>
(6)	Pretrial conf <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for	at <u> </u>
(7)	Trial <input type="checkbox"/> Set for <input type="checkbox"/> re-set for	at <u> </u>
(8)	<input type="checkbox"/> Bench Trial <input type="checkbox"/> Jury Trial <input type="checkbox"/> Hearing	held and continued to <u> </u> at <u> </u>
(9)	This case is dismissed <input type="checkbox"/> without <input type="checkbox"/> with prejudice and without costs <input type="checkbox"/> by agreement <input type="checkbox"/> pursuant to	
	<input type="checkbox"/> FRCP 41(j) (failure to serve) <input type="checkbox"/> General Rule 21 (want of prosecution) <input type="checkbox"/> FRCP 41(a)(1) <input type="checkbox"/> FRCP 41(a)(2)	
(10)	<input checked="" type="checkbox"/> Other docket entry: Receiver's motion for an order confirming his authority to convey certain REO property to purchaser and his motion for an order confirming his authority with respect to Arapaho Car wash Loans are granted. Nominal defendants' motion to enlarge time until May 3, 1996 to respond to the counterclaim of RAM is granted. Accordingly, reply is extended to May 24, 1996. Commissioner shall set aside escrow to provide for Continental fees, if ordered by it. Enter Amended Declaratory judgment order nunc pro tunc April 3, 1996 on plaintiff's motion for summary judgment on Count I. RAM has until May 13, 1996 to respond to motions to dismiss count I of RAM's counterclaim by Commissioner and Continental. Ruling set for July 11, 1996	
at <u>8:45 A.M.</u> No notices required, advised in open court.		
<input type="checkbox"/> No notices required <input type="checkbox"/> Notices mailed by judge's staff <input type="checkbox"/> Notified counsel by telephone. <input type="checkbox"/> Docketing to mail notices <input type="checkbox"/> Mail AO 450 form <input type="checkbox"/> Copy to judge/magistrate Judge		
<input checked="" type="checkbox"/> Courtroom deputy's initials: <u> </u>		
Date time received in central clerk's Office: <u> </u>		
number of notices: <u>1</u> date docketed: <u>APR 16 1996</u> docketing dply initials: <u> </u> date mailed notice: <u>APR 16 1996</u> mailing dply initials: <u> </u>		
Document # <u> </u>		

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DONNA LEE H. WILLIAMS, INSURANCE)
COMMISSIONER OF THE STATE OF DELAWARE,)
AS RECEIVER OF NATIONAL HERITAGE LIFE)
INSURANCE COMPANY IN REHABILITATION,)
CONTINENTAL STOCK TRANSFER & TRUST)
COMPANY, MIDWEST INDEPENDENT BANK,)
and MIDWEST MORTGAGE SERVICING, L.L.C.,)
Plaintiffs,) Civil Action 95 C 4243
v.) Hon. Elaine E. Bucklo
NATIONAL HOUSING EXCHANGE INC., APX) Magistrate Judge
MORTGAGE SERVICES, INC., and) Rebecca R. Pallmeyer
RESOURCE ASSET MANAGEMENT, INC.)
Defendants.)

AMENDED DECLARATORY JUDGMENT ORDER

This cause coming to be heard on the Motion for Summary Judgment on Count I, filed by the plaintiff Donna H. Lee Williams, Insurance Commissioner of the State of Delaware, as Receiver of National Heritage Life Insurance Company in Liquidation (the "Commissioner"), due notice having been given and the Court being fully advised in the premises,

IT IS HEREBY ORDERED, ADJUDGED, DECLARED AND DECREED:

1. The Commissioner's Motion for Summary Judgment on Count I is granted;
2. All the rights of National Housing Exchange, Inc. under the Indenture and Servicing Agreement dated December 28, 1993 were terminated on November 7, 1994;

3. All the rights of APX Mortgage Services, Inc. under the Indenture and Servicing Agreement dated December 28, 1993 were terminated on November 7, 1994;
4. The rights of both National Housing Exchange, Inc. and APX Mortgage Services, Inc. with respect to the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pool of Mortgages, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993, are hereby terminated;
5. No approvals, agreements, consents, signatures or other action of any nature whatsoever of either or both of National Housing Exchange, Inc. and APX Mortgage Services, Inc. is required in connection with any action pursuant to the Indenture and Servicing Agreement dated December 28, 1993; provided however that nothing herein shall be deemed to relieve either or both of National Housing Exchange, Inc. and APX Mortgage Services, Inc. of their respective obligations under the Indenture and Servicing Agreement dated December 28, 1993;

6. The Commissioner is entitled to unencumbered ownership of the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pool of Mortgages, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993; and,
7. All right, title and interest in and to the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pools of Mortgage, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993 is vested in the National Heritage Life Insurance Company in Liquidation (or any affiliate designated by National Heritage Life Insurance Company in Liquidation with respect to any environmentally impaired Mortgaged Property).

ENTER ORDER:

DATED: APRIL 12, 1996,
nunc pro tunc APRIL 3, 1996

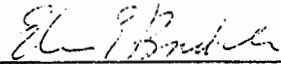

Elaine E. Bucklo
United States District Court
Judge

EXHIBIT "B"

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge or Magistrate Judge	Elaine E. Bucklo	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	February 20, 1997
Case Title	Williams, et al. VS. National Housing, et al.		

MOTION: [In the following box (a) indicate the party filing the motion, e.g., plaintiff, defendant, 3rd-party plaintiff, and (b) state briefly the nature of the motion being presented.]

DOCKET ENTRY:

Sent for Microfilming

(1) Filed motion of [use listing in "MOTION" box above]

(2) Brief in support of motion due _____

(3) Answer brief to motion due _____ Reply to answer brief due on **FEB 24 1997**

(4) ☐ Ruling on _____ set for _____ at _____
☐ Hearing

(5) Status hearing ☐ held ☐ continued to ☐ set for ☐ re-set for _____ at _____

(6) Pretrial conf. ☐ held ☐ continued to ☐ set for ☐ re-set for _____ at _____

(7) Trial ☐ Set for ☐ re-set for _____ at _____

(8) ☐ Bench Trial ☐ Jury Trial ☐ Hearing held and continued to _____ at _____

(9) This case is dismissed ☐ without ☐ with prejudice and without costs ☐ by agreement ☐ pursuant to
☐ FRCP 4(j) (failure to serve) ☐ General Rule 21 (want of prosecution) ☐ FRCP 41(a)(1) ☐ FRCP 41(a)(2)

(10) [Other docket entry] The Commissioner's motion for the entry of a revised order regarding Massachusetts Mortgage is granted. Enter Revised Order. Plaintiff's motion for reassignment of case number 96 C 8477 based on relatedness is also granted.

(11) ☒ (For further detail see ☐ order on the reverse of ☒ order attached to the original minute order form.)

<input type="checkbox"/> No notices required, advised in open court. <input type="checkbox"/> No notices required. <input type="checkbox"/> Notices mailed by judge's staff. <input type="checkbox"/> Notified counsel by telephone. <input checked="" type="checkbox"/> Docketing to mail notices. <input type="checkbox"/> Mail AO 450 form. <input type="checkbox"/> Copy to judge/magistrate Judge.	RECEIVED FOR DOCKETING FEB 20 PM 5:35 ED-11	number of notices date docketed docketing dpty. initials date mailed notice mailing dpty initials	Document # 325
courtroom deputy's initials 	Date/time received in central clerk's office FEB 21 1997	FEB 21 1997	FEB 21 1997

BOOK 19167 PAGE 324

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DOCKETED

FEB 21 1997

DONNA LEE H. WILLIAMS, ET AL.)	
)	
Plaintiffs,	)	Civil Action 95 C 4243
	)	Hon. Elaine E. Bucklo
v.	)	Magistrate Judge
	)	Rebecca R. Pallmeyer
NATIONAL HOUSING EXCHANGE INC., APX)	
MORTGAGE SERVICES, INC., and)	
RESOURCE ASSET MANAGEMENT, INC.)	
)	
Defendants.)	

REVISED ORDER REGARDING MASSACHUSETTS MORTGAGES

This matter having come to be heard on the Commissioner's Motion for the Entry of a Revised Order Regarding Massachusetts Mortgages subject to the Amended Declaratory Judgment Order entered April 12, 1996, nunc pro tunc April 3, 1996, a copy of which is attached hereto as Exhibit 1, the Court hereby orders that National Heritage Life Insurance Company, in Liquidation ("NHL"), as to any claim of title and possession by or through National Housing Exchange Inc., APX Mortgage Services, Inc., Resource Asset Management, Inc., and South Star Management Corp. (collectively "the Parties"), has good, valid, and indefeasible ownership of any and all interests, free and clear, and free of any adverse equities and any other claims in and to the mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments, whether or not of record, with respect to the real property located in the Commonwealth of Massachusetts and listed in Exhibit 2, which is attached to this Order and incorporated herein (hereinafter such mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments shall be referenced as the "Mortgages"), together with:

- (1) any and all notes, loan agreements, credit agreements, guaranties, and any other evidence of indebtedness secured by the Mortgages;
- (2) any and all other security interests or claims pertaining to any indebtedness secured by the Mortgages, including but not limited to any and all (a) security agreements or chattel mortgages, (b) assignments or collateral assignments of rents, leases, and profits, (c) assignments or collateral assignments of accounts receivable, (d) assignments, collateral assignments, or pledges of stock, (e) assignments or collateral assignments of business licenses, permits, service contracts and equipment leases, (f) interests in any insurance proceeds or condemnation awards, (g)

321

BOOK 19167 PAGE 325

interests in any indemnification agreements, whether with respect to environmental matters or otherwise, (h) interests in any leases, ground leases, proprietary leases, or occupancy agreements, (i) interests in any UCC financing statements, (j) creditor's claims, and (k) if the subject Mortgage is in the process of being foreclosed, any proceeds being held in the registry of the court of competent jurisdiction or held by the court-appointed receiver; and

(3) any proceeds thereof.

It is further ordered that to the extent that any Mortgages have been foreclosed or repossessed, or title has otherwise reverted to Defendant prior to this Order, that, as between the Parties and NHL, NHL has good, valid and indefeasible fee simple title, free and clear, and free and clear of any claims in and to the real property that is encumbered by said Mortgages, together with all improvements thereon and easements and appurtenances thereto, and together with any and all proceeds concerning such real property held (1) in the registry of any court where such foreclosure action was pending, (2) by any court-appointed receiver for such real property, (3) by any property manager for such real property, and (4) by any other third party. (Hereinafter all Mortgages and related assets and real property and related assets shall be referenced as the "Assets".)

It is further ordered that, if necessary, in order to fulfill the terms and intent of this Order, NHL shall have the right (1) to unilaterally record any documents transferring or conveying any rights relating to the Assets and encompassed by this Order into the name of NHL, including but not limited to any assignment of any of the Mortgages or any UCC-3 financing statements, and (2) to unilaterally record any new financing statements to perfect NHL's security interests in the Assets.

It is further ordered that the Commissioner and NHL are not bound by the terms of any oral agreements affecting the Assets made by any predecessor in interest or former servicer of the Assets.

The recording of a certified copy of this Order in any jurisdiction where any Assets are located shall (1) convey title to such Assets to NHL, pursuant to the terms of this Order, and (2) re-establish any lost original instruments or documents pertaining to such Assets.

Dated: 2/20/97

ENTER: Elaine E. Bucklo
Hon. Elaine E. Bucklo
United States District Court Judge

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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DONNA LEE H. WILLIAMS, INSURANCE)	
COMMISSIONER OF THE STATE OF DELAWARE,)	
AS RECEIVER OF NATIONAL HERITAGE LIFE)	
INSURANCE COMPANY IN REHABILITATION,)	
CONTINENTAL STOCK TRANSFER & TRUST)	
COMPANY, MIDWEST INDEPENDENT BANK,)	
and MIDWEST MORTGAGE SERVICING, L.L.C.,)	
)	
Plaintiffs,	)	Civil Action 95 C 4243
	)	Hon. Elaine E. Bucklo
v.	)	Magistrate Judge
	)	Rebecca R. Pallmeyer
NATIONAL HOUSING EXCHANGE INC., d/b/a)	
NORFOLK FARMERS, INC., and)	
RESOURCE ASSET MANAGEMENT, INC.)	
)	
Defendants.)	

AMENDED DECLARATORY JUDGMENT ORDER

This cause coming to be heard on the Motion for Summary Judgment on Count I, filed by the plaintiff Donna H. Lee Williams, Insurance Commissioner of the State of Delaware, as Receiver of National Heritage Life Insurance Company in Liquidation (the "Commissioner"), due notice having been given and the Court being fully advised in the premises,

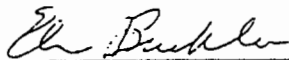
IT IS HEREBY ORDERED, ADJUDGED, DECLARED AND DECREED:

1. The Commissioner's Motion for Summary Judgment on Count I is granted;
2. All the rights of National Housing Exchange, Inc. under the Indenture and Servicing Agreement dated December 28, 1993 were terminated on November 7, 1994;

6. The Commissioner is entitled to unencumbered ownership of the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pool of Mortgages, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993; and,
7. All right, title and interest in and to the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pools of Mortgage, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993 is vested in the National Heritage Life Insurance Company in Liquidation (or any affiliate designated by National Heritage Life Insurance Company in Liquidation with respect to any environmentally impaired Mortgaged Property).

ENTER ORDER:

DATED: APRIL 12, 1996,
nunc pro tunc APRIL 3, 1996


Elaine E. Bucklo
United States District Court
Judge

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EXHIBIT 2

November 8, 1996

Schedule of MBS Bond Loans Secured by Real Estate

St.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
A		15	Duprey	81 Sterling Lane	Bradford	800162	9479	524
		16	Gilet	71 Princeton, Unit 108	North Chelmsford	33553	3534	179
	Barnstable	16	Most	108 Rowland Circle, #102	Brewster	32748	6308	112
	Bristol	14	Drumheiser	14 Spruce Street	New Bedford	22979	2228	90
	Essex	15	Daigle	200 Wilson Street, Units 2 & 4	Haverhill	364	10392	472
			Roberts	4 Central Avenue	Methuen	42312	67	333
		16	Gauthier/Roderick	407 Forest Hill Road	Dunstable	79019	3841	233
			Moran	415 Lafayette St.	Salem	53	9067	169
	Hampshire	15	Duquette	72 Barrett Street, Unit 110	Northampton	23244	(none)	(none)
	Hillsborough	16	Driecoll/Eaker	143 Baboosic Lake Rd.	Merrimack	802728	4591	115
	Middlesex	13	Elliot Group Inc.	38-48 Sarah Ave./771 Broadway/285-287 Dutton St.	Lowell	11569	805490	276
		14	Gavriel	26-28 Alma	Lowell	20595	4507	61
		15	Babcock	54 Glenside Avenue	BillERICA	12834	804452	21
			Debillis	861-871 Middlesex Road	Lowell	78706	3839	258
			Debillis/Gavrie	42 Marshall St.	Lowell	13934	3956	338
			Duffy	97 Daniels Street	Malden	682632	998	129
			Grant	8108 Lawrence Street	Lowell	16079	3556	12
			Oahley	11 Pike Street	Hopkinton	(none)	15414	174
			Torres/Ramos	29-31 Queen St.	Lowell	35435	5005	150
		16	Arbatter	78 Captain Hannas Circle, #028	Ashland	(none)	18215	80
			Eague	40 Aberdeen Street	Lowell	18871	3436	109
			Kipp	65 Indian Brook Road	Ashland	471	20144	600
			Landry	161 Aiken Avenue, No. 4	Lowell	44158	805373	195
			McInnis	369 Aiken Avenue, Unit 16	Lowell	34328	804998	134
		17	Games	6 Ledgewood Way, Unit 16	Peabody	91	9605	576
			Keomouangchanh	204 Ludlam St.	Lowell	24133	804533	29
	New Haven	16	O'Malley	208 West St., Unit 4A	Milford	(none)	11971	298

EXHIBIT 2

November 8, 1974

List of MHE Bond Loans Secured by Real Estate

St.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
MA	Worfolk	15	Giordano	660 Franklin Street	Wrentham	2654	7474	518
			Magri	7-9 Pierce Street	Milton	44301	7047	487
			Padula	131, 133, & 135 Creek St.	Wrentham	492121	619	119
			Reed	691 Washington Street	Braintree	25552	885	695
		16	Brustlin	133 Commander Shea Blvd., Unit 116	Quincy	13421	7436	151
	Plymouth	15	Feingold/Connelly	45 Manomet Rd.	Plymouth	9742	10728	95
		16	McCann	50 Pinewood Lane	Duxbury	(none)	7044	85
		17	Melone	131 Chapel Street	Pembroke	76854	10509	342
			Prigione	3-12 School Street	Marshfield	65134	6922	146
				3-7 School Street	Marshfield	65137	6922	162
	Suffolk	14	Pal	461 Washington Street, Unit 406	Boston	143	13522	64
		15	Deo	56 Round Hill Street	Jamaica Plain	290	15403	124
			Glades Realty Trust	36-38 Grove St.	Chelsea	213	13630	336
			Levis	135-137 Sydney Street	Boston	(none)	13649	175
			Mannix	29 Vinton Street	South Boston	(none)	16204	136
		16	Cheletsky	8 Kittredge Street, No. 5K	Rosendale	239	16232	60
			Glades Realty Trust	30-34 Grove St.	Chelsea	213	13630	336
			Grubbe	20 American Legion Highway	Boston	33106	14939	1
			Krell	1607 Commonwealth, Unit 30	Boston	41645 - C114-62	(none)	(none)
			Mullings	40 Kingsdale Street	Dorchester	457044	(none)	(none)
		17	Brown	18 Burnett Road, #18	Revere	173	14918	220
	Worcester	14	Reinold/Firell	135 East Main St., Unit C-81	Westborough	42927	8276	321
		15	Choquette	257 E. Main St.	East Douglas	8559	11900	127
			Griffin	5 Griswold Court	Oxbridge	112513	10621	245
		16	Humphrey's LTD	208 West Street, Unit 4A	Hopedale	(none)	10285	188
			King	6 Beckman St.	Worcester	121706	10683	243

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EXHIBIT 2

November 4, 1996

Schedule of MHI Bond Loans Secured by Real Estate

St.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
A	Worcester	16	King	19 Canton Street	Worcester	7662	11097	122
		17	Alex	61A Fox Meadow Road, Unit 61A	Leominster	7666	1561	44
			Pasquariello	4 Oak St., #12/12 Williamsburg Ct., #28/3 & 12 Castle Green, #3	Shrewsbury	5730	9192	161
				12-4 Oak Street	Shrewsbury	5733	9192	171

CERTIFICATE OF SERVICE

I, William P. ZiegelmueLLer, an attorney, certify that
on February 14, 1997, I caused a copy of the foregoing MOTION FOR
A REVISED ORDER REGARDING MASSACHUSETTS MORTGAGES to be served by
U.S. Mail, postage prepaid:

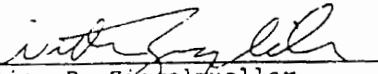
Richard Waris
Pretzel & Stouffer Chartered
One South Wacker Drive
Suite 2500
Chicago, Illinois 60606

James Rolfes
Sachnoff & Weaver, Ltd.
30 S. Wacker Drive
Suite 2900
Chicago, Illinois 60606

David S. Ruff
Miller, Shakman, Hamilton,
Kurtzon & Schlifke
208 South LaSalle Street
Suite 1100
Chicago, Illinois 60604

ROBERT L. DAVY, CP.
180 N. LaSalle, Suite 2315
Chicago, Illinois 60611

APX Mortgage Services, Inc.
c/o Robert Gorski
P.O. Box 909
Lake Zurich, Illinois 60047-0909


William P. ZiegelmueLLer

142272\010\50C0UBA7.030

ATTEST: WORC. Anthony J. Vigliotti, Register

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115416

12

COMMONWEALTH OF MASSACHUSETTS
SUFFOLK, ss. SUPERIOR COURT DEPARTMENT
CIVIL ACTION NO. 97-02013 B

DONNA LEE H. WILLIAMS, INSURANCE
COMMISSIONER OF THE STATE OF DELAWARE,
AS RECEIVER OF NATIONAL HERITAGE LIFE
INSURANCE COMPANY IN LIQUIDATION,
Plaintiff,

v.

NATIONAL HOUSING EXCHANGE, INC.,
APX MORTGAGE SERVICES, INC.,
RESOURCE ASSET MANAGEMENT, INC. and
SOUTH STAR MANAGEMENT CORPORATION,
Defendants.

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97 OCT 21 PM 4:01

JUDGMENT BY DEFAULT

This action came on for hearing before the Court, KING, J., presiding, upon the marking of Plaintiff, Donna Lee H. Williams, Insurance Commissioner of the State of Delaware as Receiver of National Heritage Life Insurance Company in Liquidation (hereinafter, "NHL") in the above entitled action, for a default judgment by the court, pursuant to Rule 55(b)(2) of Mass. R. Civ. P., and it appearing to the court that the Amended Complaint in said action was filed on the 14'th day of July, 1997, and that no answer or other defense has been filed by the said Defendants, National Housing Exchange, Inc., Resource Asset Management, Inc., APX Mortgage Services, Inc., and/or South Star Management Co., Inc., and that default on those Counts of the Amended Complaint wherein default had not previously been entered, was entered on the 24 day of OCTOBER 1997, in the office of the clerk of this court, and that no proceedings have been taken by the said Defendants since said default was entered, it is ordered and adjudged, that judgment by default enter as against the Defendants, as follows: as against National Housing Exchange, Inc. and Resource Asset Management, Inc. on Counts IV and V of the Amended Complaint; and, as against APX Mortgage Services, Inc. and South Star Management Co., Inc. on Counts I, II, III, IV and V of the Amended Complaint, all in accordance with the Prayers of that Amended Complaint, thereby recognizing and giving effect to the following judgments in Massachusetts:

JUDGMENT ENTERED ON DOCKET
Pursuant to the provisions of MASS. R. CIV. P. 58(a)
AND NOTICE SENT TO PARTIES PURSUANT TO THE PRO-
VISIONS OF MASS. R. CIV. P. 77(d) AS FOLLOWS:

NOTICE
FILED
10/5/97
J.F.C. Jr.

AS TO APX AND SOUTH STAR:

Prayer 1: The Chancery Court of the State of Delaware in and for New Castle County's Liquidation and Injunction Order in Civil Action No. 13530, dated November 21, 1995, a copy of which is attached hereto as Exhibit "A"; and,

Prayer 2: The United States District Court, Northern District of Illinois, Eastern Division's Amended Declaratory Judgment Order in No. 95 C 4243, dated April 12, 1996, *nunc pro tunc*, April 3, 1996, a copy of which is attached hereto as Exhibit "B"; and,

Prayer 3: The United States District Court, Northern District of Illinois, Eastern Division's Revised Order Regarding Massachusetts Mortgages No. 95 C 4243, dated February 20, 1997, a copy of which is attached hereto as Exhibit "C".

AS TO ALL DEFENDANTS:

Prayer 4: The United States District Court, Northern District of Illinois, Eastern Division's Order Particularly Identifying the I-250 Assets No. 95 C 4243 dated February 7, 1997, a copy of which is attached hereto as Exhibit "D".

Prayer 5: The United States District Court, Northern District of Illinois, Eastern Division's Revised Order Regarding Additional Massachusetts Mortgages No. 95 C 4243, dated April 15, 1997, a copy of which is attached hereto as Exhibit "E".

SO ORDERED:

Patricia King
J.
Superior Court Department

Dated: October 6, 1997

I HEREBY ATTEST AND CERTIFY ON
October 6, 1997... THAT THE
FOREGOING DOCUMENT IS A FULL
TRUE AND CORRECT COPY OF THE
ORIGINAL ON FILE IN MY OFFICE,
AND IN MY LEGAL CUSTODY.

MICHAEL JOSEPH DONOVAN
CLERK/MAGISTRATE
SUFFOLK SUPERIOR CIVIL COURT
DEPARTMENT OF THE TRIAL COURT

Michael J. Donovan
Clerk

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BK-10016

ORIGINAL

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY

IN THE MATTER OF THE
REHABILITATION OF NATIONAL) C.A. No. 13530
HERITAGE LIFE INSURANCE COMPANY)

LIQUIDATION AND INJUNCTION ORDER

WHEREAS, the Honorable Donna Lee H. Williams, the Insurance Commissioner for the State of Delaware, heretofore appointed as the Receiver of the National Heritage Life Insurance Company in Rehabilitation by Order dated May 25, 1994 (the "Receiver"), has filed with the Court a petition seeking a Liquidation and Injunction Order concerning National Heritage Life Insurance Company ("National Heritage") pursuant to Title 18 Del. C. §5901, et seq.;

WHEREAS, a hearing on the financial status of National Heritage and for interested parties to show cause why National Heritage should not be declared insolvent and ordered liquidated was held by the Court on 11/21/95; and

WHEREAS, the Receiver has submitted evidence that National Heritage is insolvent, in that as of September 30, 1995, National Heritage's liabilities exceeded its assets by approximately \$214 million and that as of the hearing date, the negative surplus was approximately \$214 million.

NOW THEREFORE, the Court finds and IT IS HEREBY ORDERED as follows:

1. National Heritage is insolvent as that term is defined in 18 Del. C. §5901.
2. Sufficient cause exists for the liquidation of the respondent, National Heritage, pursuant to 18 Del. C. §§ 5906 and 5910 and a Liquidation and Injunction Order is hereby entered against National Heritage.

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~~Br 10815 102 34843~~

3. The May 25, 1994 Rehabilitation and Injunction Order and the June 27, 1994 Supplemental Rehabilitation Order entered by this Court in this matter are hereby superseded, upon entry of this Order, and the Commissioner shall continue to serve as Receiver of National Heritage for the purpose of liquidation as set forth below.

4. The appointment of the Honorable Donna Lee H. Williams, Commissioner of Insurance of the State of Delaware, and her successors in office, as the Receiver of National Heritage is hereby continued and the Receiver is hereby directed to immediately take or maintain her exclusive possession and control of and to continue or be vested with all right, title and interest in, of or to the property of National Heritage, including, without limitation, all of National Heritage's assets, contracts, rights of action, funds recoverable under treaties and agreements of reinsurance heretofore entered into by National Heritage as the ceding insurer, books, records, bank accounts, certificates of deposit, collateral securing obligations to, or for the benefit of, National Heritage or any trustee, bailee or any agent acting for, or on behalf of, National Heritage (collectively, the "Trustees"), securities or other funds, and all real or personal property of any nature of National Heritage including, without limitation, furniture, fixtures and office supplies, wherever located, and including such property of National Heritage or collateral securing obligations to, or for the benefit of, National Heritage or any Trustee thereof that may be discovered hereafter, and all proceeds of or accessions to any of the foregoing, wherever located, in the possession, custody or control of National Heritage or any Trustee therefore (collectively, the "Assets"), and to liquidate the same pursuant to the provisions of Chapter 59 of the Delaware Insurance Code, and the Receiver is further authorized

BOOK 19273 PAGE 346

~~Br 10316-103 34843~~

to take such actions as the nature of this cause and interests of the policyholders, creditors and stockholders of National Heritage and the public may require.

5. The Receiver is hereby authorized to continue to deal with the Assets, business and affairs of National Heritage, including, without limitation, the right to sue for, defend for or continue suits already commenced by the Receiver for National Heritage, or for the benefit of National Heritage's policyholders, stockholders and creditors, in the courts and tribunals, agencies or arbitration panels in this State and other states in her name as the Commissioner of Insurance of the State of Delaware, or in the name of National Heritage.

6. The filing or recording of this Order or a certified copy hereof with the Clerk of this Court and with the recorder of deeds of the jurisdiction in which National Heritage's corporate and administration offices are located, or, in the case of real estate, with the recorder of deeds of the jurisdictions where the property is located, shall impart the same notice as would be imparted by a deed, bill of sale or other evidence of title duly filed or recorded with that recorder of deeds. Without limiting the foregoing, the filing of this Order with the Clerk of this Court also constitutes notice to all sureties and fidelity bondholders of National Heritage of all potential claims against National Heritage under such policies and shall constitute the perfection of a lien in favor of National Heritage under the Uniform Commercial Code or any like Federal or state law, regulation or order dealing with the priority of claims.

7. Except as otherwise indicated elsewhere in this Order, and upon notice provided by the Receiver, all agents and brokers, former officers, former directors, stockholders and all other persons or entities now or prospectively holding Assets of, or on behalf of, National

~~Bk 10010 104 34843~~

Heritage shall forthwith file an accounting of these Assets with the Receiver and shall, within (10) days of the entry of this Order, turn those Assets over to the Receiver.

8. The Receiver may, in her discretion, appoint or continue the appointment of a consultant or other person or persons to serve as Special Deputy Receiver(s) to assist the Receiver in accomplishing the directive of this Order. The Special Deputy Receivers shall serve at the pleasure of the Receiver and, subject to the approval of the Receiver, shall be entitled to exercise all of the powers and authorities vested in the Receiver pursuant to this Order and applicable law.

9. The Receiver may employ or continue to employ and fix the compensation of such deputies, counsel, clerks, employees, accountants, actuaries, consultants, assistants and other personnel (collectively, the "Designees") as considered necessary, and all compensation and expenses of the Special Deputy Receiver(s) and the Designees and of taking possession of National Heritage and conducting this proceeding shall be paid out of the funds and assets of National Heritage as administrative expenses under Title 18 Del. C. §5913(f). Each and every Designee shall be deemed to have submitted to the jurisdiction of this Court for the resolution of any disputes between the Receiver and such Designee concerning such Designee's rights, obligations and compensation.

10. The Receiver, the Special Deputy Receivers and the Designees (collectively, the "Indemnitees") shall have no personal liability for their acts or omissions in connection with their duties during the rehabilitation and liquidation periods, provided that such acts or omissions are or were undertaken in good faith and without willful misconduct, gross negligence or criminal intent. All expenses, costs and attorney's fees incurred by the Indemnitees in

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~~BR 10315-105 34843~~

connection with any lawsuit brought against them in their representative capacities shall be subject to the approval of the Receiver and shall be exclusively paid out of the funds and assets of National Heritage. The Indemnitees shall not be deemed to be employees of the State of Delaware.

11. The Receiver's right, title and interest in and to all funds recoverable under treaties and agreements of reinsurance heretofore entered into by National Heritage as the ceding insurer shall continue, and all reinsurance companies involved with National Heritage are enjoined and restrained from making any settlements with any claimant or policyholder of National Heritage other than the Commissioner as Receiver. The amounts recoverable by the Receiver from any reinsurer of National Heritage shall not be reduced as a result of this liquidation proceeding or by reason of any partial payment or distribution on a reinsured policy, contract or claim, and each such reinsurer of National Heritage is hereby enjoined and restrained from terminating, cancelling, failing to extend or renew, or reducing or changing coverage under any reinsurance policy or contract with National Heritage, except for non-payment of premium. The Receiver may terminate or rescind any contract with a reinsurer or reinsurers that is contrary to the best interests of the estate in liquidation.

12. The Receiver is hereby authorized to transfer National Heritage's assets and liabilities, to the extent such liabilities are not covered by a state guaranty association, to an affiliate, subsidiary or trust for the overall benefit of National Heritage's policyholders, other creditors, and stockholder, subject to approval by this Court.

~~BR-10818-106 54849~~

13. The Receiver may change to her own name the name of any of National Heritage's accounts, funds or other property or assets held with any bank, savings and loan association or other financial institution, and may withdraw such funds, accounts and other property or assets from such institutions or take any lesser action necessary for the proper conduct of this liquidation.

14. The Receiver may reject any executory contract to which National Heritage is a party that the Receiver may in her discretion determine is burdensome to National Heritage or is otherwise not in its best interest. Any party to a rejected contract may file a claim only for damages arising from such rejection in accordance with paragraph 18, below. All claims of policyholders enumerated in 18 Del. C. §5918(e) shall have priority over all non-policyholder claims arising from the rejection of executory contracts.

15. National Heritage, its former officers, former directors, stockholders, agents, servants and employees and all other persons having notice of these proceedings or of this Order are hereby prohibited from transacting any business of, or on behalf of, National Heritage or selling, transferring, destroying, wasting, encumbering or disposing of any of the Assets, without the prior written permission of the Receiver or until further Order of this Court.

16. All banks, brokerage houses, agents, reinsurers, or other companies or persons, either having in their possession Assets or possible Assets (including, without limitation, books or records of National Heritage), or having notice of these proceedings or of this Order, are hereby enjoined and restrained from disposing of, selling, wasting, encumbering, transferring or destroying any such Assets or possible Assets (including, without limitation, books or records of National Heritage). This prohibition includes, without limitation, Assets, possible Assets,

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~~BK 10316 107 34043~~

books or records pertaining to any business transaction between National Heritage and any of said parties. No actions concerning, involving or relating to such Assets, possible Assets, books or records may be taken by any of the aforesaid persons or entities enumerated herein, without the prior written consent of the Receiver, or until further Order of this Court.

17. All former officers, former directors, stockholders, agents, servants and employees of National Heritage, and all other persons and companies having notice of these proceedings or of this Order, are hereby enjoined and restrained from instituting or further prosecuting any action at law or in equity or in other proceedings against National Heritage, the Commissioner as Receiver, the Special Deputy Receiver(s) or the Designees in connection with their duties as such, or from obtaining preferences, judgments, attachments or other like liens or encumbrances, or foreclosing upon or making of any levy against National Heritage or the Assets, or exercising any right adverse to the right of National Heritage to or in the Assets, or in any way interfering with the Receiver, the Special Deputy Receiver(s) or the Designees either in their possession and control of the Assets, books, and records of National Heritage or in the discharge of their duties hereunder.

18. All persons and companies are hereby enjoined and restrained from asserting any claim against the Commissioner as Receiver of National Heritage, or against the Special Deputy Receiver(s) or the Designees in connection with their duties as such, or against the Assets, except insofar as such claims are brought in the liquidation proceedings of National Heritage.

~~BK-10316-103-34343~~

19. The Court hereby imposes a temporary moratorium on payment of cash values, surrenders, policy loans or any other right to withdraw funds held in conjunction with the policies or contracts of National Heritage, in addition to the Receiver's and the state guaranty associations' right to implement any contractual provision for deferral of cash payment or policy loans, for a period of 120 days from the date of this Order, provided that any state guaranty association may voluntarily choose to permit a full or partial payment of cash values, surrenders, policy loans or any other right to withdraw funds for claims covered by the applicable state guaranty association law.

20. Within a reasonable time after receipt of a claim in the liquidation proceedings of National Heritage, the Receiver shall give notice by mail to any and all persons interested in such claim of the Receiver's proposed report and recommendation to the Court regarding the allowance or denial (in whole or in part) of such claim.

21. Within sixty (60) days of the mailing of the proposed report and recommendation, the interested person being given notice of such proposed report and recommendation may file a written objection thereto with the New Castle County Register in Chancery, 1000 King Street, Wilmington, Delaware, 19801, and the Receiver.

22. Within a reasonable time after such sixty (60) days, there being no objection to the proposed report and recommendation, the Receiver shall file with the Court such report and recommendation.

23. No hearing will be held regarding the proposed report and recommendation in the absence of a written objection thereto by a person interested therein.

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24. The Receiver shall provide semiannual reports on the financial condition of National Heritage and on the actions of the Receiver pursuant to this Order.

25. Hereafter the caption of this cause and all pleadings in this matter shall read as:

"IN THE MATTER OF THE LIQUIDATION OF
NATIONAL HERITAGE LIFE INSURANCE COMPANY"

26. This Court shall retain jurisdiction in this cause for the purpose of granting such other and further relief as this cause, the interests of the policyholders, creditors, stockholders of National Heritage and the public may require. The Receiver, or any interested party upon reasonable notice to the Receiver, may at any time make application for such other and further relief as either sees fit.

27. On or before June 30, 1996, the Receiver shall mail a Notice of Liquidation and Bar Date and a proof of claim form to all known claimants and creditors or persons or entities reasonably believed to be claimants or creditors of National Heritage, by first class mail, postage prepaid, and obtain proof of such mailing on United States Postal Form 3606.

28. ANY AND ALL CLAIMS AGAINST THE NATIONAL HERITAGE LIFE INSURANCE COMPANY IN LIQUIDATION NOT PRESENTED TO THE RECEIVER ON OR BEFORE JUNE 30, 1997 SHALL BE FOREVER BARRED FROM SHARING IN DISTRIBUTIONS OF THE ASSETS OF NATIONAL HERITAGE UNLESS THERE IS A SURPLUS AND NATIONAL HERITAGE IS DEEMED SOLVENT PURSUANT TO 18 DEL. C. §5928(a)(2).

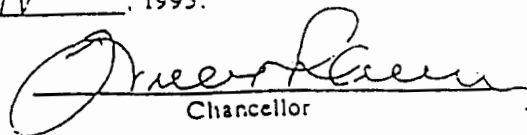
SO ORDERED this 21 day of May, 1995.

CERTIFIED
AS A TRUE COPY:

ACCENT:

FRANK L. B. HUNTERMAN
REGISTERED CLERK

By: Lisa Neal


Chancellor

BK-10816-110

Minute Order Form (rev. 12/90)

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge Magistrate Judge	Elaine E. Buckle	Sitting Judge or Other Team Assigned Judge	
Case Number	95 C 4243	Date	April 16, 1996
Case Title	Williams, et al. Vs. National Housing, et al.		

MOTION:

DOCKET ENTRY:

1	<input type="checkbox"/> Filed motion in case, stating in MOTION and answer.	Date for Answer: <u>APR 16 1996</u>
2	<input type="checkbox"/> Brief in support of motion due <u>APR 16 1996</u> .	
3	<input type="checkbox"/> Answer brief to motion due <u>APR 16 1996</u> .	
4	<input type="checkbox"/> <input type="checkbox"/> Ruling on <u> </u> set for <u> </u> at <u> </u> Filmed on	
5	<input type="checkbox"/> Status hearing <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for <u> </u> at <u> </u>	
6	<input type="checkbox"/> Pretrial conf. <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for <u> </u> at <u> </u>	
7	<input type="checkbox"/> Trial <input type="checkbox"/> set for <input type="checkbox"/> re-set for <u> </u> at <u> </u>	
8	<input type="checkbox"/> Bench Trial <input type="checkbox"/> Jury Trial <input type="checkbox"/> Hearing held and continued to <u> </u> at <u> </u>	
9	<input type="checkbox"/> This case is dismissed <input type="checkbox"/> without <input type="checkbox"/> with prejudice and without costs <input type="checkbox"/> by agreement <input type="checkbox"/> pursuant to <u> </u>	
	<input type="checkbox"/> FRCP 4(j) (failure to serve) <input type="checkbox"/> General Rule 27 (want of prosecution) <input type="checkbox"/> FRCP 41(a) <input type="checkbox"/> FRCP 41(b)	
10	<input checked="" type="checkbox"/> (Other docket) Receiver's motion for an order confirming his authority to convey certain REO property to purchaser and his motion for an order confirming his authority with respect to Arapaho Car Wash Loans are granted. Nominal defendants' motion to enlarge time until May 3, 1996 to respond to the counterclaim of RAM is granted. Accordingly, reply is extended to May 24, 1996. Commissioner shall set aside escrow to provide for Continental fees, if ordered by it. Enter Amended Declaratory judgment order nunc pro tunc April 3, 1996 on plaintiff's motion for summary judgment on Count I. RAM has until May 13, 1996 to respond to motions to dismiss count I of RAM's counterclaim by Commissioner and Continental. Ruling set for July 11, 1996.	
at	8:45 AM	
<input type="checkbox"/>	No notices required, advised in open court	
<input type="checkbox"/>	No notices required	
<input type="checkbox"/>	Notices mailed by judge's staff	
<input type="checkbox"/>	Notified counsel by telephone	
<input checked="" type="checkbox"/>	Docketing to mail notices	
<input type="checkbox"/>	Mail AO 450 form	
<input type="checkbox"/>	Copy to judge-magistrate Judge	
<input type="checkbox"/>	Courtroom deputy's initials	
<input type="checkbox"/>	Date time received in court clerk's office	
	Number of notices	
	Date docketed	APR 16 1996
	Docketing copy initials	<u> </u>
	Date mailed notice	APR 16 1996
	Mailing copy initials	<u> </u>
	Document #	<u> </u>

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~~BK 10816 117 34843~~

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DONNA LEE H. WILLIAMS, INSURANCE)	
COMMISSIONER OF THE STATE OF DELAWARE,)	
AS RECEIVER OF NATIONAL HERITAGE LIFE)	
INSURANCE COMPANY IN REHABILITATION,)	
CONTINENTAL STOCK TRANSFER & TRUST)	
COMPANY, MIDWEST INDEPENDENT BANK,)	
and MIDWEST MORTGAGE SERVICING, L.L.C.,)	
)	
Plaintiffs,	)	Civil Action 95 C 4243
	)	Hon. Elaine E. Bucklo
v.	)	Magistrate Judge
	)	Rebecca P. Pallmeyer
NATIONAL HOUSING EXCHANGE, INC., and)	
MORTGAGE SERVICES, INC., and)	
RESOURCE ASSET MANAGEMENT, INC.)	
)	
Defendants.)	

AMENDED DECLARATORY JUDGMENT ORDER

This cause coming to be heard on the Motion for Summary Judgment on Count I, filed by the plaintiff Donna H. Lee Williams, Insurance Commissioner of the State of Delaware, as Receiver of National Heritage Life Insurance Company in Liquidation (the "Commissioner"), due notice having been given and the Court being fully advised in the premises,

IT IS HEREBY ORDERED, ADJUDGED, DECLARED AND DECREED:

1. The Commissioner's Motion for Summary Judgment on Count I is granted;
2. All the rights of National Housing Exchange, Inc. under the Indenture and Servicing Agreement dated December 28, 1993 were terminated on November 7, 1994;


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~~BR-10816-118-34843~~

6. The Commissioner is entitled to unencumbered ownership of the Mortgages, Mortgage Files, Mortgage Loans, Mortgage Impairment Insurance Policy, Mortgage Notes, Mortgaged Property, Pool of Mortgages, Related Security Documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993; and,
7. All right, title and interest in and to the mortgages, mortgage files, mortgage loans, mortgage impairment insurance policy, mortgage notes, mortgaged property, pools of mortgage, related security documents and any and all proceeds thereof, as those terms are defined in the Indenture and Servicing Agreement dated December 28, 1993 is vested in the National Heritage Life Insurance Company in Liquidation (or any affiliate designated by National Heritage Life Insurance Company in Liquidation with respect to any environmentally impaired Mortgaged Property).

ENTER ORDER:

DATED: APRIL 12, 1996,
nunc pro tunc APRIL 3, 1996


Elaine E. Bucklo
United States District Court
Judge

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Bk 18818-115 34843

EXHIBIT 3
Schedule of MBI Bond Loans Secured by Real Estate

November 1, 1996

St.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
Vt.		15	Duprey	81 Sterling Lane	Bradford	800162	2479	47
		16	Gilet	71 Princeton, Unit 108	North Chelmsford	33553	2528	171
	Barnstable	16	Moat	108 Newland Circle, #102	Brewster	32748	6008	111
	Bristol	14	Drumheiser	14 Spruce Street	New Bedford	22979	2228	90
	Essex	15	Deagle	200 Wilson Street, Units 2 & 4	Raverhill	364	10392	471
			Roberts	4 Central Avenue	Methuen	42312	47	333
		16	Cauchier/Roderick	407 Forest Hill Road	Dunstable	79019	3841	133
			Moran	415 Lafayette St.	Salem	53	9067	169
	Hampshire	15	Duquette	72 Barrett Street, Unit 110	Northampton	19166	(none)	(none)
	Hillsborough	16	Driecoll/Diker	143 Baboosic Lake Rd.	Merrimack	802728	4591	115
Mass.	Middlesex	13	Elliot Group Inc.	38-40 Sarah Ave./771 Broadway/285-287 Dutton St.	Lovell	11569	805490	278
		14	Gavriel	26-28 Alma	Lovell	20595	4507	61
		15	Babcock	54 Glanside Avenue	Billerica	12834	804452	21
			Dabillis	661-871 Middlesex Road	Lovell	78706	3839	259
			Dabillis/Gavrie	42 Marshall St.	Lovell	13934	3956	338
			Duffy	97 Daniels Street	Malden	682632	998	129
			Grant	8108 Lawrence Street	Lovell	36079	3556	12
			Oshley	11 Pike Street	Hopkinton	(none)	15414	174
			Torres/Ramos	29-31 Queen St.	Lovell	35435	5005	150
		16	Arbetter	78 Captain James Circle, #028	Ashland	(none)	18215	80
Conn.	New Haven		Hague	40 Aberdeen Street	Lovell	18871	3436	109
			Hipp	65 Indian Brook Road	Ashland	471	20144	600
			Landry	361 Aiken Avenue, Mc 4	Lovell	44158	805273	195
			McInnis	369 Aiken Avenue, Unit 16	Lovell	34328	804998	134
		17	James	6 Ledgewood Way, Unit 16	Peabody	91	7625	576
			Kromouangchanh	204 Ludlam St.	Lovell	24123	804523	29
		16	O'Malley	208 West St., Unit 4A	Milford	(none)	11971	298

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Br 10816 120 34843

EXHIBIT 2

November 4, 1994

List of MEX Bond Loans Secured by Real Estate

St.	County	Series	Mortgagor	Address	City	Document #	Book #	Page #
MA	Norfolk	15	Giordano	440 Franklin Street	Wrentham	1454	7474	518
			Magri	7-9 Pierce Street,	Milton	44301	7047	487
			Padula	131, 133, & 135 Creek St.	Wrentham	492121	615	118
			Reed	691 Washington Street	Braintree	25552	185	655
		16	Brustein	133 Commander Shea Blvd., Unit Quincy 116		13421	7436	151
	Plymouth	15	Feingold/Condo lly	45 Manomet Rd.	Plymouth	1742	10728	95
		16	McCann	50 Pinewood Lane	Duxbury	(none)	7044	55
		17	Melone	131 Chapel Street	Peabroke	74854	10509	142
			Pasquariello	3-12 School Street	Marshfield	65134	6922	146
				3-7 School Street	Marshfield	65137	6922	162
	Suffolk	14	Pal	461 Washington Street, Unit 406	Boston	143	11522	64
		15	Deo	56 Round Hill Street	Jamaica Plain	290	15403	128
			Glades Realty Trust	36-38 Grove St.	Chelsea	213	13610	336
			Levis	135-137 Sydney Street	Boston	(none)	13469	175
			Mannix	29 Vinton Street	South Boston	(none)	16204	136
		16	Cheletsky	8 Kittredge Street, No. 5K	Rosendale	239	16232	60
			Glades Realty Trust	30-34 Grove St.	Chelsea	213	13610	336
			Grubbs	20 American Legion Highway	Boston	33106	14939	1
			Krell	1607 Commonwealth, Unit 30	Boston	41645 - CL14-42	(none)	(none)
			Mullings	40 Kingsdale Street	Dorchester	457044	(none)	(none)
		17	Brown	18 Burnett Road, #18	Revere	173	14914	220
	Worcester	14	Reinold/Firell	135 East Main St., Unit C-4 1	Westborough	42917	6276	321
		15	Choquette	257 E. Main St.	East Douglas	8559	11900	127
			Griffin	5 Griswold Court	Oxbridge	112513	13821	265
		16	Munfrey's LTD	208 West Street, Unit 4A	Hopedale	(none)	10285	188
			King	6 Beckman St	Worcester	121706	10883	243

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EXHIBIT 1

November 1, 1976

Schedule of RMBS Bond Loans Secured by Real Estate

County	Series	Mortgagor	Address	City	Document #	Book #	Page #
Worcester	16	King	19 Canton Street	Worcester	7462	1109	101
	17	Alax	91A Fox Meadow Road, Unit #1A	Leominster	7686	1561	66
		Paquattello	4 Oak St., 811/12 Williamabury Shrevebury Ct., 828/3 & 12 Castle Green, 87		5701	3151	101
			12-4 Oak Street	Shrevebury	5711	9172	101

~~BR 10816 122 34848~~

CERTIFICATE OF SERVICE

I, William P. Ziegelmuehler, an attorney, certify that
on February 14, 1997, I caused a copy of the foregoing MOTION FOR
A REVISED ORDER REGARDING MASSACHUSETTS MORTGAGES to be served by
U.S. Mail, postage prepaid:

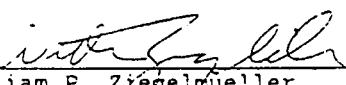
Richard Waris
Prestel & Shouffer Chartered
One South Wacker Drive
Suite 2500
Chicago, Illinois 60606

James Rolfes
Sachnoff & Weaver, Ltd.
30 S. Wacker Drive
Suite 3900
Chicago, Illinois 60606

David J. Krupp
Miller, Shakman, Hamilton,
Kurtzon & Schliske
208 South LaSalle Street
Suite 1100
Chicago, Illinois 60604

Robert E. Davy, Jr.
180 N. LaSalle, Suite 2315
Chicago, Illinois 60611

APX Mortgage Services, Inc.
c/o Robert Gorski
P.O. Box 909
Lake Zurich, Illinois 60047-0909



William P. Ziegelmuehler

41021 THE BARNSTABLE REG

BARNSTABLE REGISTRY OF DEEDS

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BK 10816

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge or Magistrate Judge	Elaine E. Buckle	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	February 20, 1997
Case Title	Williams, et al. VS. National Housing, et al.		

MOTION: [In the following box (a) indicate the party filing the motion: a. plaintiff, defendant, 3rd party plaintiff, and (b) state briefly the nature of the motion being presented.]

DOCKET ENTRY:

Sent for Microfilming

- (1) Filed motion of [use listing in "MOTION" box above]
- (2) Brief in support of motion due _____
- (3) Answer brief to motion due _____ Reply to answer brief due on _____
- (4) ☐ Ruling on _____ set for _____ at _____
☐ Hearing
- (5) Status hearing ☐ held ☐ continued to ☐ set for ☐ re-set for _____ at _____
- (6) Pretrial conf. ☐ held ☐ continued to ☐ set for ☐ re-set for _____ at _____
- (7) Trial ☐ Set for ☐ re-set for _____ at _____
- (8) ☐ Bench Trial ☐ Jury Trial ☐ Hearing held and continued to _____ at _____
- (9) This case is dismissed ☐ without ☐ with prejudice and without costs ☐ by agreement ☐ pursuant to
☐ FRCP 41(j) (failure to serve) ☐ General Rule 21 (want of prosecution) ☐ FRCP 41(a)(1) ☐ FRCP 41(a)(2)
- (10) [Other docket entry] The Commissioner's motion for the entry of a revised order regarding Massachusetts Mortgage is granted. Enter Revised Order. Plaintiff's motion for reassignment of case number 96 C 8477 based on relatedness is also granted.

- (11) ☒ [For further detail see ☐ order on the reverse of ☒ order attached to the original minute order form]

No notices required, advised in open court.	RECEIVED FOR DOCKETING FEB 20 PM 5:35 ED-11	number of notices	Document # 325
No notices required		date docketed	
Notices mailed by judge's staff		docketing dply. initials	
Notified counsel by telephone		date mailed notice	
<input checked="" type="checkbox"/> Docketing to mail notices		mailing duty initials	
Mail AO 450 form.	Date/time received in central Clerk's Office		
Copy to judge/magistrate judge.			
<input checked="" type="checkbox"/> courtroom deputy's initials			

~~EX-10816-113 34843~~

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DOCKETED

FEB 21 1997

DONNA LEE H. WILLIAMS, ET AL.

Plaintiffs,

v.

NATIONAL HOUSING EXCHANGE INC., APX
MORTGAGE SERVICES, INC., and
RESOURCE ASSET MANAGEMENT, INC.

Defendants.

Civil Action 95 C 4243
Hon. Elaine E. Buckle
Magistrate Judge
Rebecca R. Pillingayer

REVISED ORDER REGARDING MASSACHUSETTS MORTGAGES

This matter having come on for hearing on the Commissioner's Motion for the Entry of a Revised Order Regarding Massachusetts Mortgages subject to the Amended Declaratory Judgment Order entered April 12, 1996, nunc pro tunc April 3, 1996, a copy of which is attached hereto as Exhibit 1, the Court hereby orders that National Heritage Life Insurance Company, in Liquidation ("NHL"), as to any claim of title and possession by or through National Housing Exchange Inc., APX Mortgage Services, Inc., Resource Asset Management, Inc., and South Star Management Corp. (collectively "the Parties"), has good, valid, and indefeasible ownership of any and all interests, free and clear, and free of any adverse equities and any other claims in and to the mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments, whether or not of record, with respect to the real property located in the Commonwealth of Massachusetts and listed in Exhibit 2, which is attached to this Order and incorporated herein (hereinafter such mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments shall be referenced as the "Mortgages"), together with:

- (1) any and all notes, loan agreements, credit agreements, guaranties, and any other evidence of indebtedness secured by the Mortgages;
- (2) any and all other security interests or claims pertaining to any indebtedness secured by the Mortgages, including but not limited to any and all (a) security agreements or chattel mortgages, (b) assignments or collateral assignments of rents, leases, and profits, (c) assignments or collateral assignments of accounts receivable, (d) assignments, collateral assignments, or pledges of stock, (e) assignments or collateral assignments of business licenses, permits, service contracts and equipment leases, (f) interests in any insurance proceeds or condemnation awards, (g)

5211

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Br 10016-116 34843

interests in any indemnification agreements, whether with respect to environmental matters or otherwise, in interests in any leases, ground leases, proprietary leases, or occupancy agreements, (i) interests in any UCC financing statements, (j) creditor's claims, and (k) if the subject Mortgage is in the process of being foreclosed, any proceeds being held in the registry of the court of competent jurisdiction or held by the court-appointed receiver; and

(3) any proceeds thereof.

It is further ordered that to the extent that any Mortgages have been foreclosed or repossessed, or title has otherwise reverted to Defendant prior to this Order, that, as between the Parties and NHL, NHL has good, valid and indefeasible fee simple title, free and clear, and free and clear of any claims in and to the real property that is encumbered by said Mortgages, together with all improvements thereon and easements and appurtenances thereto, and together with any and all proceeds concerning such real property held (1) in the registry of any court where such foreclosure action was pending, (2) by any court-appointed receiver for such real property, (3) by any property manager for such real property, and (4) by any other third party. (Hereinafter all Mortgages and related assets and real property and related assets shall be referenced as the "Assets".)

It is further ordered that, if necessary, in order to fulfill the terms and intent of this Order, NHL shall have the right (1) to unilaterally record any documents transferring or conveying any rights relating to the Assets and encompassed by this Order into the name of NHL, including but not limited to any assignment of any of the Mortgages or any UCC-3 financing statements, and (2) to unilaterally record any new financing statements to perfect NHL's security interests in the Assets.

It is further ordered that the Commissioner and NHL are not bound by the terms of any oral agreements affecting the Assets made by any predecessor in interest or former servicer of the Assets.

The recording of a certified copy of this Order in any jurisdiction where any Assets are located shall (1) convey title to such Assets to NHL, pursuant to the terms of this Order, and (2) re-establish any lost original instruments or documents pertaining to such Assets.

Dated: 2/20/97

ENTER: *Elaine E. Bucklo*

Hon. Elaine E. Bucklo
United States District Court Judge

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge or Magistrate Judge	Elaine E. Bucklo	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	February 7, 1997
Case Title	Williams, et al. Vs. National Housing, et al.		

MOTION: [In the following box (a) indicate the party filing the motion, e.g., plaintiff, defendant, 3rd-party plaintiff, and (b) state briefly the nature of the motion being presented.]

DOCKET ENTRY:

(1) ☐ Filed motion of [] filed in MOTION box above.

(2) ☐ Brief in support of motion due _____

(3) ☐ Answer brief to motion due _____ Reply to answer brief due FEB 10 1997

(4) ☐ Ruling on _____ set for Filed on _____

(5) ☐ Status hearing ☐ held ☐ continued to ☐ set for ☐ re-set for _____ at _____

(6) ☐ Pretrial conf. ☐ held ☐ continued to ☐ set for ☐ re-set for _____ at _____

(7) ☐ Trial ☐ Set for ☐ re-set for _____ at _____

(8) ☐ Bench Trial ☐ Jury Trial ☐ Hearing held and continued to _____ at _____

(9) ☐ This case is dismissed ☐ without ☐ with prejudice and without costs ☐ by agreement ☐ pursuant to ☐ FRCP 4(j) (failure to serve) ☐ General Rule 21 (want of prosecution) ☐ FRCP 41(a)(1) ☐ FRCP 41(a)(2)

(10) ☒ [Other docket entry] Commissioner's motion for the entry of an order particularly identifying the I-250 assets is granted. Enter Order.

(11) ☒ [For further detail see ☐ order on the reverse of ☒ order attached to the original minute order form.]

<input type="checkbox"/> No notices required, advised in open court.		9 FEB 10 1997 R FEB 10 1997 R	number of notices	Document # 320
<input type="checkbox"/> No notices required.			date docketed	
<input type="checkbox"/> Notices mailed by judge's staff.			docketing dpty. initials	
<input checked="" type="checkbox"/> Docketing to mail notices.			date mailed notice	
<input type="checkbox"/> Mail AO 450 form.			mailing dpty initials	
<input type="checkbox"/> Copy to judge/magistrate judge.				
<input checked="" type="checkbox"/> courtroom deputy's initials	Date/time received in central Clerk's Office			

BOOK 19273 PAGE 364

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DONNA LEE H. WILLIAMS, ET AL.

Plaintiffs,

v.

NATIONAL HOUSING EXCHANGE INC., APX
MORTGAGE SERVICES, INC., and
RESOURCE ASSET MANAGEMENT, INC.

Defendants.

) Civil Action 95 C 4243
) Hon. Elaine E. Buckio
) Magistrate Judge
) Rebecca R. Pallmeyer

DOCKETED
FEB 10 1997

ORDER PARTICULARLY IDENTIFYING THE I-250 ASSETS

This matter having come to be heard on the Commissioner's Motion for the Entry of an Order Particularly Identifying the I-250 Assets, the Court hereby orders that National Heritage Life Insurance Company, in Liquidation ("NHL") has good, valid, and indefeasible ownership of any and all interests, all free and clear of any defects of title and free and clear of any leases, liens, security interests, encumbrances, adverse equities and any other claims of any other person or entity, in and to the mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments, whether or not of record, with respect to the real property listed in Exhibit A, which is attached to this Order and incorporated herein (hereinafter such mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments shall be referenced as the "Mortgages"), together with:

- (1) any and all notes, loan agreements, credit agreements, guaranties, and any other evidence of indebtedness secured by the Mortgages;
- (2) any and all other security interests or claims pertaining to any indebtedness secured by the Mortgages, including but not limited to any and all (a) security agreements or chattel mortgages, (b) assignments or collateral assignments of rents, leases, and profits, (c) assignments or collateral assignments of accounts receivable, (d) assignments, collateral assignments, or pledges of stock, (e) assignments or collateral assignments of business licenses, permits, service contracts and equipment leases, (f) interests in any insurance proceeds or condemnation awards, (g) interests in any indemnification agreements, whether with respect to environmental matters or otherwise, (h) interests in any leases, ground leases, proprietary leases, or occupancy agreements, (i) interests in any

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UCC financing statements, (j) creditor's claims, and (k) if the subject Mortgage is in the process of being foreclosed, any proceeds being held in the registry of the court of competent jurisdiction or held by the court-appointed receiver; and

(3) any proceeds thereof.

It is further ordered that to the extent that any Mortgages have been foreclosed, NHL has good, valid and indefeasible fee simple title, free and clear of any defects of title and free and clear of any claims of any other person or entity, in and to the real property that is encumbered by said Mortgages, together with all improvements thereon and easements and appurtenances thereto, and together with any and all proceeds concerning such real property held (1) in the registry of any court where such foreclosure action was pending, (2) by any court-appointed receiver for such real property, (3) by any property manager for such real property, and (4) by any other third party. (Hereinafter all Mortgages and related assets and real property and related assets shall be referenced as the "Assets".)

It is further ordered that, if necessary, in order to fulfill the terms and intent of this Order, NHL shall have the right (1) to unilaterally record any documents transferring or conveying any rights relating to the Assets and encompassed by this Order into the name of NHL, including but not limited to any assignment of any of the Mortgages or any UCC-3 financing statements, and (2) to unilaterally record any new financing statements to perfect NHL's security interests in the Assets.

It is further ordered that the Commissioner and NHL are not bound by the terms of any oral agreements affecting the Assets made by any predecessor in interest or former servicer of the Assets.

The recording of a certified copy of this Order in any jurisdiction where any Assets are located shall (1) convey title to such Assets to NHL, pursuant to the terms of this Order, and (2) re-establish any lost original instruments or documents pertaining to such Assets.

Dated: 2/7/97

ENTER: *Elaine E. Bucklo*

Hon. Elaine E. Bucklo
United States District Court Judge

BOOK 19273 PAGE 366

Page 1

STATE	COUNTY	MORTGAGR	ADDR	CITY	DOCNO.	BK#	PAGENO.	SHARES	UCC#	COOP
	San Bernardino	Hobbs	1358 N. Idyllwild Rialto		84-304157	(none)	(none)			
	Fairfield	Bacon	120 Huntington Tpk., Unit 303	Bridgeport	16789	2355	211			
	Lucas	Lenci	248 Willow St.	Waterbury	2145	2586	106			
	New Haven	Lenci	242-244 Willow St.	Waterbury	2143	2586	94			
	New Haven	Batam Associates	1070 New Haven, Unit 53	Milford	10648	1607	125			
	Orleans Parish	Davis	1371-1373 St. Bernard Avenue	New Orleans	487817	1000000	134			
	St. Bernard Parish	Aries Enterprise	201, 203 & 205 South Pl.	Chalmette	(none)	142	196			
	Essex	Chimenti	F-1 Colonial Dr., Unit 6	Andover	(none)	2522	105			
	Gloucester	Afotey	520 Cascade Ct., Unit 520	Sewell	11348	MB 1528	87			
	New York	Eisenberg	66-33 98th Pl., Unit 3J	Rego Park	Stock #154		204	(none)		98th Place Owners
	New York	Poupon	5 Tudor City Pl., New York Unit 308		Stock #A602		156	95PN18564		Windsor Owners
	New York	Verigan	5 Tudor City Pl., New York Unit 237		Stock #A610		145	95PN18563		Windsor Owners
	New York	Jenkins	5 Tudor City Pl., New York Unit 437		Stock #A580		149	95PN34567		Windsor Owners
	New York	Suh	5 Tudor City Pl., New York Unit B-17		Stock #A582		284	95PN18119		Windsor Owners
	New York	McKenna	5 Tudor City Pl., New York Unit 715		Stock #B364		189	30PN67159		Tudor Owners
	Queens	Brodigan	5 Bedford Ave.	Rockaway Park	Stock #9471		175	151741		Breezy Point Cooperative, Inc.
	Suffolk	Gill	365 County Rd., Unit 39	Shinnecock Hills	CO 53814	12307	391			

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Page 2

SEARCH PHRASE:	CLASSIF	CONTAINS	1-250	AND	NOT	C	IF	CONTAINS	bond	AND	NOT	CURSTAT	CONTAINS	"paid off"
STATE	COUNTY	MORTGAGR	ADDR	CITY	DOCNO.	BK#	PAGENO.	SHARES	UCC#	COOP				
H	Franklin	Messenger	6798 Lehman Rd.	Canal Winchester	(none)	3469	633							
H	Franklin	Singer	809-811 E. 2nd Ave.	Columbus	23694	11293	803							
H	Franklin	Mullen	333 S. Sylvan Ave.	Columbus	5710	11073	820							
H	Lucas	Hudson	2741 Stickney Ave.	Toledo	20062	83	912C09							
H	Warren	Green	395 Morrow Rd.	South Lebanon	12684	037	89							
A	Philadelphia	Laren	213 S. 46th St.	Philadelphia	(none)	M0922	316							
X	Collin	Malone, II	Lot 1 in Block 6 Bent Trail Addition 3	Dallas	43579	2001	301							
X	Lubbock	Patton	1205-1207 34th St.	Lubbock	11558	2794	32							
X	Nueces	Loas Tire & Auto Supply	4015 Ayers	Corpus Christi	596050	Roll 195	1705							
A	Loudoun	Ritenour	South-West corner of Church & State Sts.	Leesburg	11314	1043	1333							
A	Washington	Kassir/KHS Associates	920-924 Business Pk.	Chesapeake	22634	2324	697							

BOOK 19273 PAGE 368

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

Name of Assigned Judge or Magistrate Judge	Elaine E. Bucklo	Sitting Judge if Other Than Assigned Judge	
Case Number	95 C 4243	Date	April 16, 1997
Case Title	Williams, et al. Vs. National Housing, et al.		

(In the following box (a) indicate the party filing the motion, e.g., plaintiff, defendant, 3rd-party plaintiff, and (b) state briefly the nature of the motion being presented.)

MOTION:

DOCKET ENTRY:

(1)	<input type="checkbox"/>	Filed motion of [use listing in "MOTION" box above]	
(2)	<input type="checkbox"/>	Brief in support of motion due	
(3)	<input type="checkbox"/>	Answer brief to motion due	Reply to answer brief due APR 17 1997
(4)	<input type="checkbox"/>	<input type="checkbox"/> Ruling on <input type="checkbox"/> set for <input type="checkbox"/> Hearing	Filed on APR 21 1997
(5)	<input type="checkbox"/>	Status hearing <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for	
(6)	<input type="checkbox"/>	Pretrial conf. <input type="checkbox"/> held <input type="checkbox"/> continued to <input type="checkbox"/> set for <input type="checkbox"/> re-set for	
(7)	<input type="checkbox"/>	Trial <input type="checkbox"/> Set for <input type="checkbox"/> re-set for	
(8)	<input type="checkbox"/>	<input type="checkbox"/> Bench Trial <input type="checkbox"/> Jury Trial <input type="checkbox"/> Hearing held and continued to	
(9)	<input type="checkbox"/>	This case is dismissed <input type="checkbox"/> without <input type="checkbox"/> with prejudice and without costs <input type="checkbox"/> by agreement <input type="checkbox"/> pursuant to	
	<input type="checkbox"/>	<input type="checkbox"/> FRCP 4(j) (failure to serve) <input type="checkbox"/> General Rule 21 (want of prosecution) <input type="checkbox"/> FRCP 41(a)(1) <input type="checkbox"/> FRCP 41(e)(2)	
(10)	<input checked="" type="checkbox"/>	(Other docket entry) Enter order regarding additional Massachusetts mortgages.	
(11)	<input checked="" type="checkbox"/>	(For further detail see <input type="checkbox"/> order on the reverse pl. <input checked="" type="checkbox"/> order attached to the original minute order form.)	
	<input type="checkbox"/>	No notices required, advised in open court.	
	<input type="checkbox"/>	No notices required.	
	<input type="checkbox"/>	Notices mailed by judge's staff.	
	<input type="checkbox"/>	Notified counsel by telephone.	
	<input checked="" type="checkbox"/>	Docketing to mail notices.	
	<input type="checkbox"/>	Mail AO 450 form.	
	<input type="checkbox"/>	Copy to judge/magistrate Judge.	
	<input checked="" type="checkbox"/>	courtroom deputy's initials	
	<input type="checkbox"/>	Date/time received in central Clerk's Office	
	<input type="checkbox"/>	number of notices	
	<input type="checkbox"/>	date docketed	
	<input type="checkbox"/>	docketing dpty. initials	
	<input type="checkbox"/>	data mailed notice	
	<input type="checkbox"/>	mailing dpty. initials	
		Document #	351

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DOCKETED

APR 17 1997

DONNA LEE H. WILLIAMS, ET AL.

Plaintiffs,

v.

NATIONAL HOUSING EXCHANGE INC., APX
MORTGAGE SERVICES, INC., and
RESOURCE ASSET MANAGEMENT, INC.

Defendants.

) Civil Action 95 C 4243
) Hon. Elaine E. Bucklo
) Magistrate Judge
) Rebecca R. Pallmeyer

ORDER REGARDING ADDITIONAL MASSACHUSETTS MORTGAGES

THIS matter having come to be heard on the Commissioner's Emergency Motion for an Order Confirming Title to Additional Massachusetts Mortgages, the Court hereby orders that National Heritage Life Insurance Company, in Liquidation ("NHL") has good, valid, and indefeasible ownership of any and all interests, all free and clear of any defects of title and free and clear of any leases, liens, security interests, encumbrances, adverse equities and any other claims of any other person or entity, in and to the mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments, whether or not of record, with respect to the real property located in the State of Massachusetts and listed in Exhibit A, which is attached to this Order and incorporated herein (hereinafter such mortgages, deeds of trust, trust deeds, deeds to secure debt, security devises or other title retention instruments shall be referenced as the "Mortgages"), together with:

- (1) any and all notes, loan agreements, credit agreements, guaranties, and any other evidence of indebtedness secured by the Mortgages;
- (2) any and all other security interests or claims pertaining to any indebtedness secured by the Mortgages, including but not limited to any and all (a) security agreements or chattel mortgages, (b) assignments or collateral assignments of rents, leases, and profits, (c) assignments or collateral assignments of accounts receivable, (d) assignments, collateral assignments, or pledges of stock, (e) assignments or collateral assignments of business licenses, permits, service contracts and equipment leases, (f) interests in any insurance proceeds or condemnation awards, (g) interests in any indemnification agreements, whether with respect to environmental matters or otherwise, (h) interests in any leases, ground leases, proprietary

350

BOOK 19273 PAGE 370

leases, or occupancy agreements, (i) interests in any UCC financing statements, (j) creditor's claims, and (k) if the subject Mortgage is in the process of being foreclosed, any proceeds being held in the registry of the court of competent jurisdiction or held by the court-appointed receiver; and

(3) any proceeds thereof.

It is further ordered that to the extent that any Mortgages have been foreclosed, NHL has good, valid and indefeasible fee simple title, free and clear of any defects of title and free and clear of any claims of any other person or entity, in and to the real property that is encumbered by said Mortgages, together with all improvements thereon and easements and appurtenances thereto, and together with any and all proceeds concerning such real property held (1) in the registry of any court of competent jurisdiction or held by the court-appointed receiver for such real property, (3) by any property manager for such real property, and (4) by any other third party. (Hereinafter all Mortgages and related assets and real property and related assets shall be referenced as the "Assets".)

It is further ordered that, if necessary, in order to fulfill the terms and intent of this Order, NHL shall have the right (1) to unilaterally record any documents transferring or conveying any rights relating to the Assets and encompassed by this Order into the name of NHL, including but not limited to any assignment of any of the Mortgages or any UCC-3 financing statements, and (2) to unilaterally record any new financing statements to perfect NHL's security interests in the Assets.

It is further ordered that the Commissioner and NHL are not bound by the terms of any oral agreements affecting the Assets made by any predecessor in interest or former servicer of the Assets.

The recording of a certified copy of this Order in any jurisdiction where any Assets are located shall (1) convey title to such Assets to NHL, pursuant to the terms of this Order, and (2) re-establish any lost original instruments or documents pertaining to such Assets.

Dated: 4/4/97

ENTER: 

Hon. Elaine E. Bucklo
United States District Court Judge

BOOK 19273 PAGE 371

Page 1

SEARCH PHRASE:	CURSTAT CONTAINS	of	AND CLASSIF	CONTAINS	bond	AND	BK#	EXISTS	AND	STATE	CONTAINS	ma
STATE	COUNTY	MORTGAGR	ADDR	CITY	DOCMO.	BK#	PAGENO.					
A	Bristol	Briarcliff 90 Realty Trust	152 N. Main St., Units 1-8 172 N. Main St., Units 1-8 110 Briarcliff Rd., Units 1-8 100 Briarcliff Rd., Units 1-8 90 Briarcliff Rd., Units 1-8	Raynham		4650	137					
A	Middlesex	Tiger Realty Trust	225 Steadman St., Units 29 & 30	Lowell	34116	4602	181					
A	Middlesex	Adams	223 Courtland Street	Holliston		21050	88					
A	Plymouth	Clamps	40 Matakeesett St., Unit 24	Pembroke	14473	10170	112					
A	Suffolk	Thomas	151 Tremont Street, No. 23P	Boston	464	14983	325					
A	Suffolk	Watkins/Williams	158 Glenway St.	Dorchester	283	14751	151					

ATTEST: WORC. Anthony J. Vigliotti, Register

27135PG365

147351

30
20

AFTER RECORDING RETURN TO:

Name:
Address:

THIS INSTRUMENT PREPARED BY:

Name: Glenda Wing
Title: Customer Service Technician
FEDERAL DEPOSIT INSURANCE CORP.
1910 Pacific Ave., Dallas, Texas 75201

SATISFACTION OF MORTGAGE

DATE: July 19, 2002

ORIGINAL NOTE AMOUNT ("Note"): \$112,000.00

MORTGAGE:

Mortgagor: E. Perry King and Terry A. King

Mortgagee: Home National Bank of Milford

Date of Mortgage: January 27, 1988

Mortgage Securing the Note ("Mortgage") is described in the following document(s), recorded in:

Book 11097, Page 122, January 28, 1988, in the Registry of Deeds of Worcester County, Massachusetts.

Street Address for Improved Property:

19 Canton Street, Worcester, Massachusetts

OWNER AND HOLDER OF THE NOTE AND MORTGAGE ("FDIC"):

FEDERAL DEPOSIT INSURANCE CORPORATION, as Receiver for The Home National Bank of Milford, Milford, Massachusetts ("FDIC").

OWNER AND HOLDER'S MAILING ADDRESS: 1910 Pacific Avenue
Dallas, Texas 75201

For value received, the sufficiency of which is hereby acknowledged, Holder of the Note and Mortgage acknowledges satisfaction of said Note and Mortgage and surrenders the same as cancelled, and empowers, authorizes and directs the County Recorder to cancel same of record.

02 AUG - 1 PM 12:40

Filed
Mason
D

27135PG366

This Satisfaction of Mortgage is made without recourse, representation or warranty, express or implied upon or by the FDIC.

Where context requires, singular nouns and pronouns include the plural.

Federal Deposit Insurance Corporation,
in the capacity stated above

By

James L. Faison, Attorney-in-fact

Power of Attorney dated 09/01/01, recorded
In Book 25347, Page 226, in Worcester County,
Registry of Deeds

STATE OF TEXAS

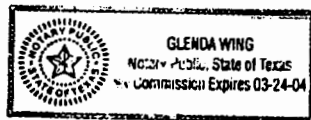
§

COUNTY OF DALLAS

§

On July 19, 2002, before me, a Notary Public for the State of Texas, personally appeared James L. Faison, Attorney-in-fact, known to me to be the person whose name is subscribed to the within instrument as the Attorney-in-fact of the Federal Deposit Insurance Corporation, who acknowledged to me that he subscribed the name of Federal Deposit Insurance Corporation, as principal, and his own name as Attorney-in-fact; that the instrument was signed for the purposes contained therein on behalf of the said Federal Deposit Insurance Corporation by authority of the said Federal Deposit Insurance Corporation; and that the instrument is the free act and deed of Federal Deposit Insurance Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal on the date above written.



Glenda Wing
Name: Glenda Wing
Notary Public in and for the State of Texas

Revised by RMJ 3/9/00 (Massachusetts) Satisfaction of Mortgage

ATTEST: WORC. Anthony J. Vigliotti, Register

TASHJIAN, SIMSARIAN & WICKSTROM, LLP

COUNSELORS AT LAW

370 MAIN STREET

WORCESTER, MASSACHUSETTS 01608-1763

TELEPHONE (508) 756-1578

FACSIMILE (508) 756-1153

EDWARD D. SIMSARIAN
JOHN A. WICKSTROM
JAMES E. TASHJIAN
TIMOTHY P. WICKSTROM
ELIZABETH W. MORSE
THOMAS J. WICKSTROM
MARK P. WICKSTROM

BERGE C. TASHJIAN
(1937-1995)

WHITINSVILLE OFFICE:
60 CHURCH STREET
WHITINSVILLE, MA 01588-1416
TEL. (508) 234-4551
FAX (508) 234-8811

PLEASE RESPOND TO
WORCESTER OFFICE

July 23, 2004

James F. Creed, Jr.
Creed & Formica
1329 Highland Avenue
Needham, MA 02492

RE: 19 Canton Street
Worcester, MA

Dear Attorney Creed:

Please be advised that our office represents E. Perry King with regard to matters set forth in your letter of July 8, 2004.

Based upon information and belief, the note has been satisfied and discharge of the note and mortgage has been recorded at the Worcester District Registry of Deeds. See attached copy marked Exhibit A.

Very truly yours,



Timothy P. Wickstrom

TPW/hy
Enclosure

EXHIBIT “A”

27135PG366

This Satisfaction of Mortgage is made without recourse, representation or warranty, express or implied upon or by the FDIC.

Where context requires, singular nouns and pronouns include the plural.

Federal Deposit Insurance Corporation,
in the capacity stated above

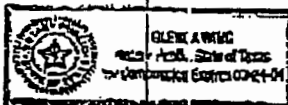
James L. Faison
James L. Faison, Attorney-in-fact
Power of Attorney dated 09/01/01, recorded
in Book 25347, Page 226, in Worcester County,
Maryland

STATE OF TEXAS
COUNTY OF DALLAS

§
§
§

On July 19, 2002, before me, a Notary Public for the State of Texas, personally appeared James L. Faison, Attorney-in-fact, known to me to be the person whose name is subscribed to the within instrument as the Attorney-in-fact of the Federal Deposit Insurance Corporation, who acknowledged to me that he subscribed the same as Federal Deposit Insurance Corporation, as principal, and his own name as Attorney-in-fact; that the instrument was signed for the purposes contained therein on behalf of the said Federal Deposit Insurance Corporation by authority of the said Federal Deposit Insurance Corporation; and that the instrument is the free act and deed of Federal Deposit Insurance Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal on the date above written.



Glenda Wing
Glenda Wing
Notary Public in and for the State of Texas

Noted by RND 8/19/04 (Satisfaction of Mortgage)

ATTEST: WORC. Anthony J. Vigilanti, Register

27135PG366

This Satisfaction of Mortgage is made without recourse, representation or warranty, express or implied upon or by the FDIC.

Where context requires, singular nouns and pronouns include the plural.

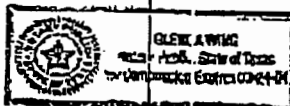
Federal Deposit Insurance Corporation,
in the capacity stated above:

James L. Faison
James L. Faison, Attorney-in-fact
Power of Attorney dated 09/01/01, recorded
in Book 25347, Page 226, in Warriner County,
Registry of Deeds

STATE OF TEXAS
COUNTY OF DALLAS

On July 19, 2002, before me, a Notary Public for the State of Texas, personally appeared James L. Faison, Attorney-in-fact, known to me to be the person whose name is subscribed to the within instrument as the Attorney-in-fact of the Federal Deposit Insurance Corporation, who acknowledged to me that he subscribed the name of Federal Deposit Insurance Corporation, as principal, and his own name as Attorney-in-fact; that the instrument was signed for the purposes contained therein on behalf of the said Federal Deposit Insurance Corporation by authority of the said Federal Deposit Insurance Corporation; and that the instrument is the free act and deed of Federal Deposit Insurance Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal on the date above written.



Glenda Wing
Glenda Wing
Notary Public in and for the State of Texas

Recorded by ERI 8/2/02 and signed record Satisfaction of Mortgage

ATTEST: WORC. Anthony J. Vigilanti, Register

CERTIFICATE OF SERVICE

I hereby certify that on this date, I caused a true copy of the within document to be served by first class mail, postage pre-paid, and a copy of the pleading without exhibits to be sent by facsimile, to, as follows:

Robert B. Gibbons, Esq.
Kristin D. Thompson, Esq.
Mirick, O'Connell, DeMallie & Lougee, LLP
100 Front Street
Worcester, MA 01608


Deborah Rizzotto

Dated: 12/27/04

1-3

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

SANDRA S. KATZ,
Plaintiff,

JAN 03 2004

ATTEST:

v.

DONNA LEE H. WILLIAMS, INSURANCE COMMISSIONER OF THE STATE OF
DELAWARE AS RECEIVER OF NATIONAL HERITAGE LIFE INSURANCE
COMPANY IN LIQUIDATION,
Defendant and Third Party Plaintiff

v.

FEDERAL DEPOSIT INSURANCE CORPORATION, UNITED STATES OF AMERICA,
E. PERRY KING, ALAN MASON, ALAN MASON LEGAL SERVICES, P.C., ALAN
MASON LEGAL SERVICES, INC., ALAN MASON D/B/A ALAN MASON LEGAL
SERVICES, P.C., ALAN MASON D/B/A ALAN MASON LEGAL SERVICES, INC.,
AND ALAN MASON LEGAL SERVICES, P.C. D/B/A ALAN MASON LEGAL
SERVICES, INC.,

Third Party Defendants.

Superior Court

Department of the Trial Court
Commonwealth
on

2116A

RTY
NS

To the above-named Defendant: E. Perry King

You are hereby summoned and required to serve upon Robert B. Gibbons,
Mirick, O'Connell, DeMallie & Lougee, LLP, Plaintiff's attorney, whose address
is 100 Front Street, Worcester, MA 01608-1477
and upon James F. Creed, Jr., Creed & Formica
who is attorney for, National Heritage Life Insurance Company in Liquidation
defendant and third-party plaintiff, and whose address is 1329 Highland Ave.,
Needham, MA 02492

an answer to the third-party complaint which is herewith served upon you, within 20 days
after service of this summons upon you, exclusive of the day of service. If you fail to do
so, judgment by default will be taken against you for the relief demanded in the third-
party complaint. You are also required to file your answer to the third-party complaint
in the SUPERIOR COURT Department of the Trial Court at WORCESTER either before
service upon the plaintiff's attorney and the third-party plaintiff's attorney or within a
reasonable time thereafter.

Unless otherwise provided by Rule 13 (a), your answer must state as a counterclaim
any claim which you may have against the third-party plaintiff which arises out of the
transaction or occurrence that is the subject matter of the third-party plaintiff's claim or
you will thereafter be barred from making such claim in any other action. There is also
served upon you herewith a copy of the complaint of the plaintiff which you may but are
not required to answer.

Barbara J. Rouse

Witness, [redacted] Esquire, at Worcester, the
day of [redacted] in the year of our Lord two thousand and

Clerk

- NOTES: 1. This summons is issued pursuant to Rules 4 and 14 of the Massachusetts Rules of Civil Procedure.
2. When more than one third-party defendant is involved, the names of all such defendants should appear in the caption. If a separate summons is used for each such defendant, each should be addressed to the particular defendant.

NOTICE TO THIRD-PARTY DEFENDANT: You need not appear personally in court to answer the third-party complaint, but if you claim to have a defense, either you or your attorney must serve a copy of your written answer within 20 days as specified herein and also file the original in the Clerk's office.

PROOF OF SERVICE OF PROCESS



Worcester County Sheriff's Office • P.O. Box 1066 • Worcester, MA 01613 • (508) 752-1100

Worcester, ss

12/30/2004

I hereby certify and return that on 12/29/2004 at 01:28pm I served a true and attested copy of the Third-Party Summons & Complaint, Exhibits A,B,C,D,E,F,G,& H in this action in the following manner: To wit, by leaving at the last and usual place of abode of E. PERRY KING at 10-A DODGE HILL RD, SUTTON, MA. Fees: Service 20.00, Travel 6.40, Conveyance 4.50, Attest 5.00 & Postage and Handling 1.00, Total fees: \$36.90

Deputy Sheriff Ronald E Richard

Deputy Sheriff

N.B. TO PROCESS SERVER

PLEASE PLACE DATE YOU MAKE SERVICE ON DEFENDANT IN THIS BOX
ON THE ORIGINAL AND ON COPY SERVED ON DEFENDANT.

December 29, 2004.

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

**Superior Court
Civil Action**

No.

Plaintiff

v.

Defendant

THIRD-PARTY

SUMMONS

(Mass. R. Civ. P. 4 and 14)

A true copy by photostatic process
Attest:
Asst. Clerk

1-3

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

SANDRA S. KATZ,
Plaintiff,

ATTEST:

v.

DONNA LEE H. WILLIAMS, INSURANCE COMMISSIONER OF THE STATE OF
DELAWARE AS RECEIVER OF NATIONAL HERITAGE LIFE INSURANCE
COMPANY IN LIQUIDATION,
Defendant and Third Party Plaintiff

v.

Superior Court
Department of the Trial Court
Commonwealth
Clerk
04-2116APARTY
ONSFEDERAL DEPOSIT INSURANCE CORPORATION, UNITED STATES OF AMERICA,
E. PERRY KING, ALAN MASON, ALAN MASON LEGAL SERVICES, P.C., ALAN
MASON LEGAL SERVICES, INC., ALAN MASON D/B/A ALAN MASON LEGAL
SERVICES, P.C., ALAN MASON D/B/A ALAN MASON LEGAL SERVICES, INC.,
AND ALAN MASON LEGAL SERVICES, P.C. D/B/A ALAN MASON LEGAL
SERVICES, INC.,

Third Party Defendants.

To the above-named Defendant: Alan Mason

You are hereby summoned and required to serve upon Robert B. Gibbons,
Mirick, O'Connell, DeMallie & Lougee, LLP, Plaintiff's attorney, whose address
is 100 Front Street, Worcester, MA 01608-1477
and upon James F. Creed, Jr., Creed & Formica
who is attorney for, National Heritage Life Insurance Company in Liquidation
defendant and third-party plaintiff, and whose address is 1329 Highland Ave.,
Needham, MA 02492

an answer to the third-party complaint which is herewith served upon you, within 20 days
after service of this summons upon you, exclusive of the day of service. If you fail to do
so, judgment by default will be taken against you for the relief demanded in the third-
party complaint. You are also required to file your answer to the third-party complaint
in the SUPERIOR COURT Department of the Trial Court at WORCESTER either before
service upon the plaintiff's attorney and the third-party plaintiff's attorney or within a
reasonable time thereafter.

Unless otherwise provided by Rule 13 (a), your answer must state as a counterclaim
any claim which you may have against the third-party plaintiff which arises out of the
transaction or occurrence that is the subject matter of the third-party plaintiff's claim or
you will thereafter be barred from making such claim in any other action. There is also
served upon you herewith a copy of the complaint of the plaintiff which you may but are
not required to answer.

Barbara J. Rouse

Witness, [redacted] Squire, at Worcester, the
day of [redacted] in the year of our Lord two thousand and

Clerk

- NOTES: 1. This summons is issued pursuant to Rules 4 and 14 of the Massachusetts Rules of Civil Procedure.
2. When more than one third-party defendant is involved, the names of all such defendants should appear in the caption. If a separate summons is used for each such defendant, each should be addressed to the particular defendant.

NOTICE TO THIRD-PARTY DEFENDANT: You need not appear personally in court to answer the third-party complaint, but if you claim to have a defense, either you or your attorney must serve a copy of your written answer within 20 days as specified herein and also file the original in the Clerk's office.

(7)

PROOF OF SERVICE OF PROCESS



Worcester County Sheriff's Office • P.O. Box 1066 • Worcester, MA 01613 • (508) 752-1100
Worcester, ss

12/30/2004

I hereby certify and return that on 12/29/2004 at 02:00pm I served a true and attested copy of the Third-Party Summons & Complaint, Exhibits A-H in this action in the following manner: To wit, by delivering in hand to ALAN MASON ALAN MASON LEGAL SERVICES, P.C. (D/B/A) at 428 SHREWSBURY ST, WORCESTER, MA. Fees: Service 20.00, Travel 3.84, Conveyance 2.00, Attest 5.00 & Postage and Handling 1.00, Total fees: \$31.84

Deputy Sheriff Michael J Ahearn

Deputy Sheriff

N.B. TO PROCESS SERVER

PLEASE PLACE DATE YOU MAKE SERVICE ON DEFENDANT IN THIS BOX
ON THE ORIGINAL AND ON COPY SERVED ON DEFENDANT.

20

COMMONWEALTH OF MASSACHUSETTS

Superior Court
Civil Action

Worcester, ss.

No.

Plaintiff

v.

Defendant

THIRD-PARTY

SUMMONS

(Mass. R. Civ. P. 4 and 14)

A true copy by photostatic process
Attest:
Asst. Clerk

1-3

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

SANDRA S. KATZ,
Plaintiff,

ATTEST

*Francis A. Ford*Superior Court
Department of the Trial Court
Commonwealth

v.

116A

DONNA LEE H. WILLIAMS, INSURANCE COMMISSIONER OF THE STATE OF
DELAWARE AS RECEIVER OF NATIONAL HERITAGE LIFE INSURANCE
COMPANY IN LIQUIDATION,
Defendant and Third Party Plaintiff

v.

FEDERAL DEPOSIT INSURANCE CORPORATION, UNITED STATES OF AMERICA,
E. PERRY KING, ALAN MASON, ALAN MASON LEGAL SERVICES, P.C., ALAN
MASON LEGAL SERVICES, INC., ALAN MASON D/B/A ALAN MASON LEGAL
SERVICES, P.C., ALAN MASON D/B/A ALAN MASON LEGAL SERVICES, INC.,
AND ALAN MASON LEGAL SERVICES, P.C. D/B/A ALAN MASON LEGAL
SERVICES, INC.,
Third Party Defendants.

To the above-named Defendant: Alan Mason Legal Services, P.C.

You are hereby summoned and required to serve upon Robert B. Gibbons,
Mirick, O'Connell, DeMallie & Lougee, LLP, Plaintiff's attorney, whose address
is 100 Front Street, Worcester, MA 01608-1477
and upon James F. Creed, Jr., Creed & Formica
who is attorney for, National Heritage Life Insurance Company in Liquidation
defendant and third-party plaintiff, and whose address is 1329 Highland Ave.,
Needham, MA 02492

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after service of this summons upon you, exclusive of the day of service. If you fail to do
so, judgment by default will be taken against you for the relief demanded in the third-
party complaint. You are also required to file your answer to the third-party complaint
in the SUPERIOR COURT Department of the Trial Court at WORCESTER either before
service upon the plaintiff's attorney and the third-party plaintiff's attorney or within a
reasonable time thereafter.

Unless otherwise provided by Rule 13 (a), your answer must state as a counterclaim
any claim which you may have against the third-party plaintiff which arises out of the
transaction or occurrence that is the subject matter of the third-party plaintiff's claim or
you will thereafter be barred from making such claim in any other action. There is also
served upon you herewith a copy of the complaint of the plaintiff which you may but are
not required to answer.

Barbara J. Rouse

Witness, [REDACTED] Esquire, at Worcester, the
day of [REDACTED] in the year of our Lord two thousand and

Clerk

Francis A. Ford

- NOTES: 1. This summons is issued pursuant to Rules 4 and 14 of the Massachusetts Rules of Civil Procedure.
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②

PROOF OF SERVICE OF PROCESS



Worcester County Sheriff's Office • P.O. Box 1066 • Worcester, MA 01613 • (508) 752-1100

Worcester, ss

12/30/2004

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Deputy Sheriff Michael J Ahearn

[Signature]
Deputy Sheriff

N.B. TO PROCESS SERVER

PLEASE PLACE DATE YOU MAKE SERVICE ON DEFENDANT IN THIS BOX
ON THE ORIGINAL AND ON COPY SERVED ON DEFENDANT.

_____ , 20 .

COMMONWEALTH OF MASSACHUSETTS

Worcester, 88.

**Superior Court
Civil Action**

No.

.....
Plaintiff

✓

.....
Defendant

THIRD-PARTY

SUMMONS

(Mass. R. Civ. P. 4 and 14)

A true copy by photostatic process
Attest: *Tempres*
Asst. Clerk

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

SANDRA S. KATZ,
Plaintiff,

ATTEST

Superior Court
Department of the Trial Court
Commonwealth

v.

116A

DONNA LEE H. WILLIAMS, INSURANCE COMMISSIONER OF THE STATE OF
DELAWARE AS RECEIVER OF NATIONAL HERITAGE LIFE INSURANCE
COMPANY IN LIQUIDATION,
Defendant and Third Party Plaintiff

v.

FY
;FEDERAL DEPOSIT INSURANCE CORPORATION, UNITED STATES OF AMERICA,
E. PERRY KING, ALAN MASON, ALAN MASON LEGAL SERVICES, P.C., ALAN
MASON LEGAL SERVICES, INC., ALAN MASON D/B/A ALAN MASON LEGAL
SERVICES, P.C., ALAN MASON D/B/A ALAN MASON LEGAL SERVICES, INC.,
AND ALAN MASON LEGAL SERVICES, P.C. D/B/A ALAN MASON LEGAL
SERVICES, INC.,

Third Party Defendants.

To the above-named Defendant: Alan Mason Legal Services, Inc.

You are hereby summoned and required to serve upon Robert B. Gibbons,
Mirick, O'Connell, DeMallie & Lougee, LLP, Plaintiff's attorney, whose address
is 100 Front Street, Worcester, MA 01608-1477
and upon James F. Creed, Jr., Creed & Formica
who is attorney for, National Heritage Life Insurance Company in Liquidation
defendant and third-party plaintiff, and whose address is 1329 Highland Ave.,
Needham, MA 02492

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after service of this summons upon you, exclusive of the day of service. If you fail to do
so, judgment by default will be taken against you for the relief demanded in the third-
party complaint. You are also required to file your answer to the third-party complaint
in the SUPERIOR COURT Department of the Trial Court at WORCESTER either before
service upon the plaintiff's attorney and the third-party plaintiff's attorney or within a
reasonable time thereafter.

Unless otherwise provided by Rule 13 (a), your answer must state as a counterclaim
any claim which you may have against the third-party plaintiff which arises out of the
transaction or occurrence that is the subject matter of the third-party plaintiff's claim or
you will thereafter be barred from making such claim in any other action. There is also
served upon you herewith a copy of the complaint of the plaintiff which you may but are
not required to answer.

Barbara J. Rouse

Witness, [redacted] require, at Worcester, the
day of [redacted] in the year of our Lord two thousand and

Clerk

- NOTES: 1. This summons is issued pursuant to Rules 4 and 14 of the Massachusetts Rules of Civil Procedure.
2. When more than one third-party defendant is involved, the names of all such defendants should appear in the caption. If a separate summons is used for each such defendant, each should be addressed to the particular defendant.

NOTICE TO THIRD-PARTY DEFENDANT: You need not appear personally in court to answer the third-party complaint, but if you claim to have a defense, either you or your attorney must serve a copy of your written answer within 20 days as specified herein and also file the original in the Clerk's office.

PROOF OF SERVICE OF PROCESS



Worcester County Sheriff's Office • P.O. Box 1066 • Worcester, MA 01613 • (508) 752-1100
Worcester, ss

12/30/2004

I hereby certify and return that on 12/29/2004 at 02:00pm I served a true and attested copy of the Third-Party Summons and Complaint, Exhibits A-H in this action in the following manner: To wit, by delivering in hand to ALAN MASON LEGAL SERVICES, INC. at 428 SHREWSBURY ST, WORCESTER, MA. Fees: Service 30.00, Travel 3.84, Conveyance 0.00, Attest 5.00 & Postage and Handling 1.00, Total fees: \$39.84

Deputy Sheriff Michael J Ahearn

Deputy Sheriff

N.B. TO PROCESS SERVER

PLEASE PLACE DATE YOU MAKE SERVICE ON DEFENDANT IN THIS BOX
ON THE ORIGINAL AND ON COPY SERVED ON DEFENDANT.

, 20 .

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

Superior Court
Civil Action

No.

Plaintiff

v.

Defendant

THIRD-PARTY

SUMMONS

(Mass. R. Civ. P. 4 and 14)

A true copy by photostatic process
Attest:
Asst. Clerk

1-3

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

Superior Court
Department of the Trial Court
CommonwealthSANDRA S. KATZ,
Plaintiff,

v.

ATTEST

1116A

DONNA LEE H. WILLIAMS, INSURANCE COMMISSIONER OF THE STATE OF
DELAWARE AS RECEIVER OF NATIONAL HERITAGE LIFE INSURANCE
COMPANY IN LIQUIDATION,
Defendant and Third Party Plaintiff

v.

FY
;FEDERAL DEPOSIT INSURANCE CORPORATION, UNITED STATES OF AMERICA,
E. PERRY KING, ALAN MASON, ALAN MASON LEGAL SERVICES, P.C., ALAN
MASON LEGAL SERVICES, INC., ALAN MASON D/B/A ALAN MASON LEGAL
SERVICES, P.C., ALAN MASON D/B/A ALAN MASON LEGAL SERVICES, INC.,
AND ALAN MASON LEGAL SERVICES, P.C. D/B/A ALAN MASON LEGAL
SERVICES, INC.,

Third Party Defendants.

To the above-named Defendant: Alan Mason d/b/a Alan Mason Legal Services, P.C.

You are hereby summoned and required to serve upon Robert B. Gibbons,
Mirick, O'Connell, DeMallie & Lougee, LLP, Plaintiff's attorney, whose address
is 100 Front Street, Worcester, MA 01608-1477
and upon James F. Creed, Jr., Creed & Formica
who is attorney for, National Heritage Life Insurance Company in Liquidation
defendant and third-party plaintiff, and whose address is 1329 Highland Ave.,
Needham, MA 02492

an answer to the third-party complaint which is herewith served upon you, within 20 days
after service of this summons upon you, exclusive of the day of service. If you fail to do
so, judgment by default will be taken against you for the relief demanded in the third-
party complaint. You are also required to file your answer to the third-party complaint
in the SUPERIOR COURT Department of the Trial Court at WORCESTER either before
service upon the plaintiff's attorney and the third-party plaintiff's attorney or within a
reasonable time thereafter.

Unless otherwise provided by Rule 13 (a), your answer must state as a counterclaim
any claim which you may have against the third-party plaintiff which arises out of the
transaction or occurrence that is the subject matter of the third-party plaintiff's claim or
you will thereafter be barred from making such claim in any other action. There is also
served upon you herewith a copy of the complaint of the plaintiff which you may but are
not required to answer.

Barbara J. Rouse

Witness, [redacted] Clerk, at Worcester, the
day of [redacted] in the year of our Lord two thousand and

Clerk

- NOTES: 1. This summons is issued pursuant to Rules 4 and 14 of the Massachusetts Rules of Civil Procedure.
2. When more than one third-party defendant is involved, the names of all such defendants should appear in the caption. If a separate summons is used for each such defendant, each should be addressed to the particular defendant.

NOTICE TO THIRD-PARTY DEFENDANT: You need not appear personally in court to answer the third-party complaint, but if you claim to have a defense, either you or your attorney must serve a copy of your written answer within 20 days as specified herein and also file the original in the Clerk's office.

PROOF OF SERVICE OF PROCESS



Worcester County Sheriff's Office • P.O. Box 1066 • Worcester, MA 01613 • (508) 752-1100
Worcester, ss

12/30/2004

I hereby certify and return that on 12/29/2004 at 02:00pm I served a true and attested copy of the Third-Party Summons and Complaint, Exhibits A-H in this action in the following manner: To wit, by delivering in hand to ALAN MASON at 428 SHREWSBURY ST, WORCESTER, MA. Fees: Service 30.00, Travel 3.84, Conveyance 0.00, Attest 5.00 & Postage and Handling 1.00, Total fees: \$39.84

Deputy Sheriff Michael J Ahearn

Deputy Sheriff

N.B. TO PROCESS SERVER

PLEASE PLACE DATE YOU MAKE SERVICE ON DEFENDANT IN THIS BOX
ON THE ORIGINAL AND ON COPY SERVED ON DEFENDANT.

, 20 .

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

Superior Court
Civil Action

No.

Plaintiff

v.

Defendant

THIRD-PARTY

SUMMONS

(Mass. R. Civ. P. 4 and 14)

A true copy by photostatic process
Attest:
Asst. Clerk

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

Superior Court
Department of the Trial Court
CommonwealthSANDRA S. KATZ,
Plaintiff,

ATTEST

v.

16A

DONNA LEE H. WILLIAMS, INSURANCE COMMISSIONER OF THE STATE OF
DELAWARE AS RECEIVER OF NATIONAL HERITAGE LIFE INSURANCE
COMPANY IN LIQUIDATION,

Defendant and Third Party Plaintiff

v.

TY
5FEDERAL DEPOSIT INSURANCE CORPORATION, UNITED STATES OF AMERICA,
E. PERRY KING, ALAN MASON, ALAN MASON LEGAL SERVICES, P.C., ALAN
MASON LEGAL SERVICES, INC., ALAN MASON D/B/A ALAN MASON LEGAL
SERVICES, P.C., ALAN MASON D/B/A ALAN MASON LEGAL SERVICES, INC.,
AND ALAN MASON LEGAL SERVICES, P.C. D/B/A ALAN MASON LEGAL
SERVICES, INC.,

Third Party Defendants.

To the above-named Defendant: Alan Mason d/b/a Alan Mason Legal Services, Inc.

You are hereby summoned and required to serve upon Robert B. Gibbons,
Mirick, O'Connell, DeMallie & Lougee, LLP Plaintiff's attorney, whose address
is 100 Front Street, Worcester, MA 01608-1477
and upon James F. Creed, Jr., Creed & Formica
who is attorney for, National Heritage Life Insurance Company in Liquidation
defendant and third-party plaintiff, and whose address is 1329 Highland Ave.,
Needham, MA 02492

an answer to the third-party complaint which is herewith served upon you, within 20 days
after service of this summons upon you, exclusive of the day of service. If you fail to do
so, judgment by default will be taken against you for the relief demanded in the third-
party complaint. You are also required to file your answer to the third-party complaint
in the SUPERIOR COURT Department of the Trial Court at WORCESTER either before
service upon the plaintiff's attorney and the third-party plaintiff's attorney or within a
reasonable time thereafter.

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any claim which you may have against the third-party plaintiff which arises out of the
transaction or occurrence that is the subject matter of the third-party plaintiff's claim or
you will thereafter be barred from making such claim in any other action. There is also
served upon you herewith a copy of the complaint of the plaintiff which you may but are
not required to answer.

Barbara J. Rouse

Witness, [redacted] Esquire, at Worcester, the
day of [redacted] in the year of our Lord two thousand and

Clerk

- NOTES: 1. This summons is issued pursuant to Rules 4 and 14 of the Massachusetts Rules of Civil Procedure.
2. When more than one third-party defendant is involved, the names of all such defendants should appear in the caption. If a separate summons is used for each such defendant, each should be addressed to the particular defendant.

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PROOF OF SERVICE OF PROCESS

I hereby certify



Worcester County Sheriff's Office • P.O. Box 1066 • Worcester, MA 01613 • (508) 752-1100

Worcester, ss

12/30/2004

I hereby certify and return that on 12/29/2004 at 02:00pm I served a true and attested copy of the Third-Party Summons and Complaint, Exhibits A-H in this action in the following manner: To wit, by delivering in hand to ALAN MASON LEGAL SERVICES, P.C at 428 SHREWSBURY ST, WORCESTER, MA. Fees: Service 30.00, Travel 3.84, Conveyance 0.00, Attest 5.00 & Postage and Handling 1.00, Total fees: \$39.84

Deputy Sheriff Michael J Ahearn

N.B. TO PROCESS SERVER

PLEASE PLACE DATE YOU MAKE SERVICE ON DEFENDANT IN THIS BOX
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20

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

Superior Court
Civil Action

No.

Plaintiff

v.

Defendant

THIRD-PARTY

SUMMONS

(Mass. R. Civ. P. 4 and 14)

A true copy by photostatic process
Attest: Clerk

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

Superior Court

SANDRA S. KATZ,
Plaintiff,

v.

DONNA LEE H. WILLIAMS, INSURANCE COMMISSIONER OF THE STATE OF
DELAWARE AS RECEIVER OF NATIONAL HERITAGE LIFE INSURANCE
COMPANY IN LIQUIDATION,

Defendant and Third Party Plaintiff

v.

FEDERAL DEPOSIT INSURANCE CORPORATION, UNITED STATES OF AMERICA,
E. PERRY KING, ALAN MASON, ALAN MASON LEGAL SERVICES, P.C., ALAN
MASON LEGAL SERVICES, INC., ALAN MASON D/B/A ALAN MASON LEGAL
SERVICES, P.C., ALAN MASON D/B/A ALAN MASON LEGAL SERVICES, INC.,
AND ALAN MASON LEGAL SERVICES, P.C. D/B/A ALAN MASON LEGAL
SERVICES, INC.,

Third Party Defendants.

Department of the Trial Court
Commonwealth
in
2116ACITY
ISTo the above-named Defendant: Alan Mason Legal Services, P.C. d/b/a Alan Mason
Legal Services, Inc.You are hereby summoned and required to serve upon Robert B. Gibbons,
Mirick, O'Connell, DeMallie & Lougee, LLP, Plaintiff's attorney, whose address
is 100 Front Street, Worcester, MA 01608-1477and upon James F. Creed, Jr., Creed & Formica
who is attorney for, National Heritage Life Insurance Company in Liquidation
defendant and third-party plaintiff, and whose address is 1329 Highland Ave.,
Needham, MA 02492an answer to the third-party complaint which is herewith served upon you, within 20 days
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you will thereafter be barred from making such claim in any other action. There is also
served upon you herewith a copy of the complaint of the plaintiff which you may but are
not required to answer.

Barbara J. Rouse

Witness, [redacted] Esquire, at Worcester, the
day of [redacted] in the year of our Lord two thousand and

Clerk

- NOTES: 1. This summons is issued pursuant to Rules 4 and 14 of the Massachusetts Rules of Civil Procedure.
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PROOF OF SERVICE OF PROCESS



Worcester County Sheriff's Office • P.O. Box 1066 • Worcester, MA 01613 • (508) 752-1100
Worcester, ss

12/30/2004

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Deputy Sheriff Michael J Ahearn

Deputy Sheriff

N.B. TO PROCESS SERVER

PLEASE PLACE DATE YOU MAKE SERVICE ON DEFENDANT IN THIS BOX
ON THE ORIGINAL AND ON COPY SERVED ON DEFENDANT.

, 20 .

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

Superior Court
Civil Action

No.

Plaintiff

v.

Defendant

THIRD-PARTY

SUMMONS

(Mass. R. Civ. P. 4 and 14)

Attest copy by photostatic process

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

SANDRA S. KATZ,
Plaintiff,

v.

DONNA LEE H. WILLIAMS, INSURANCE COMMISSIONER OF THE STATE OF
DELAWARE AS RECEIVER OF NATIONAL HERITAGE LIFE INSURANCE
COMPANY IN LIQUIDATION,
Defendant and Third Party Plaintiff

v.

FEDERAL DEPOSIT INSURANCE CORPORATION, UNITED STATES OF AMERICA,
E. PERRY KING, ALAN MASON, ALAN MASON LEGAL SERVICES, P.C., ALAN
MASON LEGAL SERVICES, INC., ALAN MASON D/B/A ALAN MASON LEGAL
SERVICES, P.C., ALAN MASON D/B/A ALAN MASON LEGAL SERVICES, INC.,
AND ALAN MASON LEGAL SERVICES, P.C. D/B/A ALAN MASON LEGAL
SERVICES, INC.,
Third Party Defendants.

Superior Court

Department of the Trial Court
Commonwealth
of Massachusetts

04-2116A

PARTY
DEFENDANTS

13

To the above-named Defendant: United States of America

You are hereby summoned and required to serve upon Robert B. Gibbons,
Mirick, O'Connell, DeMallie & Lougee, LLP, Plaintiff's attorney, whose address
is 100 Front Street, Worcester, MA 01608-1477
and upon James F. Creed, Jr., Creed & Formica
who is attorney for, National Heritage Life Insurance Company in Liquidation
defendant and third-party plaintiff, and whose address is 1329 Highland Avenue,
Needham, MA 02492

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so, judgment by default will be taken against you for the relief demanded in the third-
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any claim which you may have against the third-party plaintiff which arises out of the
transaction or occurrence that is the subject matter of the third-party plaintiff's claim or
you will thereafter be barred from making such claim in any other action. There is also
served upon you herewith a copy of the complaint of the plaintiff which you may but are
not required to answer.

Barbara J. Rouse

Witness, [redacted] Squire, at Worcester, the
day of [redacted] in the year of our Lord two thousand and

Clerk

- NOTES: 1. This summons is issued pursuant to Rules 4 and 14 of the Massachusetts Rules of Civil Procedure.
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COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

Superior Court
Civil Action

No.

Plaintiff

v.

Defendant

THIRD-PARTY

SUMMONS

(Mass. R. Civ. P. 4 and 14)

20

ON THE ORIGINAL AND ON COPY SERVED ON DEFENDANT.

PLEASE PLACE DATE YOU MAKE SERVICE ON DEFENDANT IN THIS BOX

N.B. TO PROCESS SERVER

Dated:

20



Suffolk County Sheriff's Department • 45 Bromfield Street • Boston, MA 02108 • (617) 989-6999

Suffolk, ss.

January 3, 2005

I hereby certify and return that on 12/30/2004 at 9:25AM I served a true and attested copy of the 3rd Party Summons, 3rd Party Complaint and Complaint Cover Sheet in this action in the following manner: To wit, by delivering in hand to Ilona Ferria, agent in charge at time of service, for United States of America, at 1 Courthouse Way, US Attorney's Office,, Suite 9200 Boston, MA. Basic Service Fee (IH) (\$30.00), Travel (\$20.80), Postage and Handling (\$1.00), Attest/Copies (\$5.00) Total Charges \$56.80

Deputy Sheriff George Slyva
Deputy Sheriff George Slyva

Deputy Sheriff

00113010

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss.

SANDRA S. KATZ,
Plaintiff,

v.

DONNA LEE H. WILLIAMS, INSURANCE COMMISSIONER OF THE STATE OF
DELAWARE AS RECEIVER OF NATIONAL HERITAGE LIFE INSURANCE
COMPANY IN LIQUIDATION,
Defendant and Third Party Plaintiff

v.

FEDERAL DEPOSIT INSURANCE CORPORATION, UNITED STATES OF AMERICA,
E. PERRY KING, ALAN MASON, ALAN MASON LEGAL SERVICES, P.C., ALAN
MASON LEGAL SERVICES, INC., ALAN MASON D/B/A ALAN MASON LEGAL
SERVICES, P.C., ALAN MASON D/B/A ALAN MASON LEGAL SERVICES, INC.,
AND ALAN MASON LEGAL SERVICES, P.C. D/B/A ALAN MASON LEGAL
SERVICES, INC.,
Third Party Defendants.

1013105
Superior Court
Department of the Trial Court
Commonwealth
ion
1-2116A

RTY
NS

To the above-named Defendant: Federal Deposit Insurance Corporation

You are hereby summoned and required to serve upon Robert B. Gibbons,
Mirick, O'Connell, DeMallie & Lougee, LLP, Plaintiff's attorney, whose address
is 100 Front Street, Worcester, MA 01608-1477
and upon James F. Creed, Jr., Creed & Formica
who is attorney for, National Heritage Life Insurance Company in Liquidation
defendant and third-party plaintiff, and whose address is 1329 Highland Avenue,
Needham, MA 02492
an answer to the third-party complaint which is herewith served upon you, within 20 days
after service of this summons upon you, exclusive of the day of service. If you fail to do
so, judgment by default will be taken against you for the relief demanded in the third-
party complaint. You are also required to file your answer to the third-party complaint
in the SUPERIOR COURT Department of the Trial Court at WORCESTER either before
service upon the plaintiff's attorney and the third-party plaintiff's attorney or within a
reasonable time thereafter.

Unless otherwise provided by Rule 13(a), your answer must state as a counterclaim
any claim which you may have against the third-party plaintiff which arises out of the
transaction or occurrence that is the subject matter of the third-party plaintiff's claim or
you will thereafter be barred from making such claim in any other action. There is also
served upon you herewith a copy of the complaint of the plaintiff which you may but are
not required to answer.

Barbara J. Rouse

Witness, [redacted] Esquire, at Worcester, the
day of [redacted] in the year of our Lord two thousand and

[redacted]
Clerk

- NOTES: 1. This summons is issued pursuant to Rules 4 and 14 of the Massachusetts Rules of Civil Procedure.
2. When more than one third-party defendant is involved, the names of all such defendants should appear in the caption. If a separate summons is used for each such defendant, each should be addressed to the particular defendant.

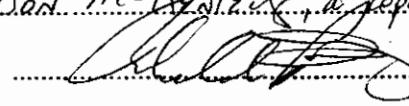
NOTICE TO THIRD-PARTY DEFENDANT: You need not appear personally in court to answer the third-party complaint, but if you claim to have a defense, either you or your attorney must serve a copy of your written answer within 20 days as specified herein and also file the original in the Clerk's office.

PROOF OF SERVICE OF PROCESS

I hereby certify and return that on January 3RD, 2005,

I served a copy of the within third-party summons, together with a copy of the third-party complaint and the original complaint, in this action, upon the within named third-party defendant, in the following manner (See Mass. R. Civ. P. 4 (d) (1-5):

By delivering to Federal Deposit Insurance Corporation located at 1910 Pacific Ave. Dallas, Texas 75201. I personally handed to Denise Spence, Secretary ^{to (Regional)} Regional Council, Don McKelvey, a copy of the original third party complaint.

Dated: January 3RD, 2004 

N.B. TO PROCESS SERVER

PLEASE PLACE DATE YOU MAKE SERVICE ON DEFENDANT IN THIS BOX
ON THE ORIGINAL AND ON COPY SERVED ON DEFENDANT.

Jan / 3RD , 2005.



Signed And Sworn To By Robin D Berry
Before Me This 4TH Day Of January, 2005
Dwight Mullen
Notary Public, Dallas County, State of Texas

COMMONWEALTH OF MASSACHUSETTS

Superior Court
Civil Action

Worcester, ss.

No.

Plaintiff

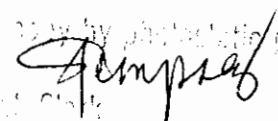
v.

Defendant

THIRD-PARTY

SUMMONS

(Mass. R. Civ. P. 4 and 14)



COMMONWEALTH OF MASSACHUSETTS

WORCESTER, ss

SUPERIOR COURT DEPARTMENT
OF THE TRIAL COURT
C. A. NO. 04-2116A

-----X
SANDRA S. KATZ,

Plaintiff,

v.

DONNA LEE H. WILLIAMS, INSURANCE
COMMISSIONER OF THE STATE OF
DELAWARE AS RECEIVER OF NATIONAL
HERITAGE LIFE INSURANCE COMPANY
IN LIQUIDATION,

Defendant and Third Party Plaintiff

v.

FEDERAL DEPOSIT INSURANCE
CORPORATION, UNITED STATES OF AMERICA,
E. PERRY KING, ALAN MASON, ALAN MASON
LEGAL SERVICES, P.C., ALAN MASON LEGAL
SERVICES, INC., ALAN MASON D/B/A ALAN
MASON LEGAL SERVICES, P.C., ALAN MASON
D/B/A ALAN MASON LEGAL SERVICES, INC.,
AND ALAN MASON LEGAL SERVICES, P.C.
D/B/A ALAN MASON LEGAL SERVICES, INC.,

Third Party Defendants.

FILED

JAN 21 2005

ATTEST:

Francis A. Ford
CLERK

115

-----X
NOTICE TO STATE COURT OF FILING OF NOTICE OF REMOVAL

To: Civil Clerk
Worcester Superior Court
2 Main Street
Worcester, MA

Notice is hereby given that this case was removed to the United States District Court for the District of Massachusetts at Worcester, Massachusetts on the 21st day of January, 2005.

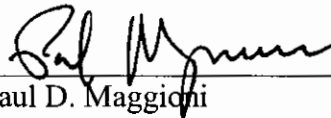
You will find herewith a certified copy of the Notice of Removal which has been filed in the United States District Court

Dated: New York, New York
January 10, 2005

Respectfully submitted,

FEDERAL DEPOSIT INSURANCE
CORPORATION

By its attorneys:

A handwritten signature in black ink, appearing to read "Paul Maggioni", is written over a horizontal line.

Paul D. Maggioni
Federal Deposit Insurance Corporation
New York Legal Services Office
20 Exchange Place, 6th Floor
New York, New York 10005
(917) 320-2864

COMMONWEALTH OF MASSACHUSETTS

WORCESTER, ss

SUPERIOR COURT DEPARTMENT
OF THE TRIAL COURT
C. A. NO. 04-2116A

-----X
SANDRA S. KATZ,

Plaintiff,

v.

DONNA LEE H. WILLIAMS, INSURANCE
COMMISSIONER OF THE STATE OF
DELAWARE AS RECEIVER OF NATIONAL
HERITAGE LIFE INSURANCE COMPANY
IN LIQUIDATION,

Defendant and Third Party Plaintiff

v.

FEDERAL DEPOSIT INSURANCE
CORPORATION, UNITED STATES OF AMERICA,
E. PERRY KING, ALAN MASON, ALAN MASON
LEGAL SERVICES, P.C., ALAN MASON LEGAL
SERVICES, INC., ALAN MASON D/B/A ALAN
MASON LEGAL SERVICES, P.C., ALAN MASON
D/B/A ALAN MASON LEGAL SERVICES, INC.,
AND ALAN MASON LEGAL SERVICES, P.C.
D/B/A ALAN MASON LEGAL SERVICES, INC.,

Third Party Defendants.

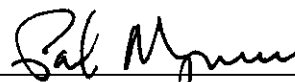
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CERTIFICATE OF SERVICE

I, Paul D. Maggioni, hereby certify that all known parties required to be notified of removal pursuant to 28 U.S.C. Section 1446 have been so notified by placing true and exact copies of the foregoing Notice of Removal and Notice to State Court of Filing of Notice of Removal with the U.S. Postal Service, postage pre-paid, as follows:

This 21 day of January, 2005.

Dated: New York, New York
January 21, 2005

By: 
Paul D. Maggioni
Federal Deposit Insurance Corporation
New York Legal Services Office
20 Exchange Place, 6th Floor
New York, New York 10005
(917) 320-2864

PARTY LIST

Robert B. Gibbons, Esq.
Mirick, O'Connell, DeMallie & Lougee LLP
100 Front Street
Worcester, MA 01608-1477

James F. Creed, Esq.
Creed & Formica
1329 Highland Avenue
Needham, MA 02492

COPY

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

FILED
X CLERK'S OFFICE

SANDRA S. KATZ,

2005 JUN 21 A 11:11

Plaintiff,

Civil Action No.

v.

U.S. DISTRICT COURT
DISTRICT OF MASS.

DONNA LEE H. WILLIAMS, INSURANCE
COMMISSIONER OF THE STATE OF
DELAWARE AS RECEIVER OF NATIONAL
HERITAGE LIFE INSURANCE COMPANY
IN LIQUIDATION,

Removed From the Superior
Court Department of the Trial
Court, Worcester County
Civil Action No. 04-2116A

Defendant and Third Party Plaintiff

05-40014 FDS

v.

FEDERAL DEPOSIT INSURANCE
CORPORATION, UNITED STATES OF AMERICA,
E. PERRY KING, ALAN MASON, ALAN MASON
LEGAL SERVICES, P.C., ALAN MASON LEGAL
SERVICES, INC., ALAN MASON D/B/A ALAN
MASON LEGAL SERVICES, P.C., ALAN MASON
D/B/A ALAN MASON LEGAL SERVICES, INC.,
AND ALAN MASON LEGAL SERVICES, P.C.
D/B/A ALAN MASON LEGAL SERVICES, INC.,

Third Party Defendants.

-----X

NOTICE OF REMOVAL FROM STATE COURT

Now comes the Federal Deposit Insurance Corporation in its corporate capacity
("FDIC"), and respectfully notifies the Court as follows:

1. The FDIC is the third-party defendant in a civil action now pending in the
Superior Court Department of the Trial Court of Massachusetts, Worcester County,
Massachusetts, Civil Action No. 04-2116A.

2. A trial has not yet been had in the aforesaid case.
3. A Certified copy of the Superior Court Docket is attached hereto as Exhibit "A".
4. Certified or attested copies of all records and proceedings in the Superior Court shall be filed with this court within thirty (30) days from the date hereof.
5. This Petition for Removal is brought pursuant to 12 U.S.C. Section 1819 (Fourth), and 28 U.S.C. Section 1446. No bond is required under the preceding statutory provisions.

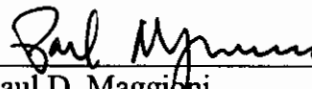
WHEREFORE, the action now pending in the Superior Court Department of the Trial Court of Massachusetts, Worcester County, Massachusetts is properly removed therefrom to this Court.

Dated: New York, New York
January 20, 2005

Respectfully submitted,

FEDERAL DEPOSIT INSURANCE
CORPORATION

By its attorneys:



Paul D. Maggioni
Federal Deposit Insurance Corporation
New York Legal Services Office
20 Exchange Place, 6th Floor
New York, New York 10005
(917) 320-2864

A true copy by photostatic process

Attest: 
Asst. Clerk